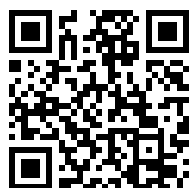


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COLONIAL REPORTS—ANNUAL.

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No. 653.

CEYLON.

---

REPORT FOR 1909.

(For Report for 1908, see No. 604.)

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Presented to both Houses of Parliament by Command of His Majesty.

October, 1910.

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## CONTENTS.

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	PAGE
I. FINANCIAL ... ..	1
II. TRADE, AGRICULTURE, AND INDUSTRIES ... ..	8
III. LEGISLATION ... ..	20
IV. EDUCATION ... ..	20
V. GOVERNMENT INSTITUTIONS ... ..	24
VI. JUDICIAL... ..	25
VII. VITAL STATISTICS ... ..	28
VIII. POST AND TELEGRAPH DEPARTMENT ... ..	29
IX. PUBLIC WORKS ... ..	31
X. GENERAL OBSERVATIONS ... ..	36

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# REPORT ON THE CEYLON BLUE BOOK OF 1909.

## I.—FINANCIAL.

### (A) GENERAL REVENUE AND EXPENDITURE.

#### Revenue.

THE revenue in 1909 amounted to Rs. 39,332,861, which was Rs. 2,832,861 more than the estimate, Rs. 3,760,012 more than the revenue of 1908, and Rs. 5,449,904 more than the ordinary expenditure, exclusive of the amount charged to surplus balances, or Rs. 3,543,463 more than the total expenditure of the year.

The following table shows the rapid growth of the Ceylon revenue during the last decade :—

Year.	Revenue.		Expenditure.		Excess of Revenue as compared with previous Year.		Surplus of Revenue over Expenditure.	
	Rs.		Rs.		Rs.		Rs.	Rs.
1890 ..	25,913,141	..	24,950,940	..	774,472	..	962,201	
1900 ..	27,325,930	..	25,321,988	..	1,412,789	..	2,003,942	
1901 ..	26,437,102	..	25,896,594	..	—	..	540,508	
1902 ..	28,435,158	..	26,341,878	..	1,998,056	..	2,093,280	
1903 ..	29,423,308	..	26,714,828	..	988,150	..	2,708,480	
1904 ..	30,846,694	..	32,010,393	..	1,423,386	..	—	1,172,699*
1905 ..	34,395,336	..	29,786,899	..	3,548,642	..	4,668,437	
1906 ..	35,030,661	..	32,644,215	..	635,325	..	2,386,446	
1907 ..	36,573,825	..	32,591,522	..	1,543,164	..	3,982,303	
1908 ..	35,572,849	..	35,032,055†	..	—	..	540,794	
1909 ..	39,332,861	..	35,789,398‡	..	3,760,012	..	3,543,463	

\* Deficit.

† Includes Rs. 278,597 from surplus balances.

‡ Includes Rs. 1,906,443 from surplus balances.

It will be seen that the revenue has increased 50 per cent. since 1901, and that it has increased by 10 million rupees in six years.

The following is a comparative statement showing the actual revenue collected in 1908 and 1909 :—

	Revenue of 1908.		Revenue of 1909.		Nett Increase.		Nett Decrease.	
	Rs.	c.	Rs.	c.	Rs.	c.	Rs.	c.
1. Customs ..	8,993,111	76	9,417,161	95	424,050	19	—	
2. Port, Harbour, Wharf, Warehouse, and other Dues ..	2,186,626	23	2,428,807	94	242,181	71	—	
3. Licenses, Excise, and Internal Revenue not otherwise classified ..	7,777,187	17	8,463,695	14	686,507	97	—	
4. Fees of Court or Office, Payment for Specific Services, and Reimburse-ments-in-Aid ..	1,526,934	53	1,738,803	54	211,869	1	—	
5. Post and Telegraphs ..	1,416,194	94	1,450,360	4	34,165	10	—	
6. Government Railway ..	10,917,929	57	11,712,704	31	794,774	74	—	
7. Interest ..	749,799	78	840,489	12	90,689	34	—	
8. Miscellaneous Receipts ..	509,163	69	1,672,131	28	1,162,967	59	—	
9. Land Revenue (exclusive of Land Sales) ..	471,770	78	445,341	1	—		26,429	77
10. Land Sales ..	1,024,130	84	1,163,367	28	139,236	44	—	
Total ..	35,572,849	29	39,332,861	61	3,760,012	32	—	

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There is an increase under every head of revenue as compared with 1908, except Land Revenue (exclusive of Land Sales), due to a falling off in the sale of timber by the Forest Department, owing largely to opening up of land by private capitalists and sale of timber on these lands. There was an increase over the estimated revenue under each head except Fees of Court, where there was a difference of Rs. 500,000 under Opium Sales, due to the suspension of the Opium Ordinance. A sum of Rs. 500,000 had been estimated as the total receipts to Government on the working of the Ordinance. This would have been balanced by the expenditure of the same amount, and was really therefore only a paper credit. The largest increases in revenue, compared with 1908, were over a million rupees on Miscellaneous Receipts, due chiefly to an adjustment of the Railway Stores Account; close on eight lakhs under Government Railway—a good indication of the general prosperity of the country—the increases being on receipts from goods and passengers, which are responsible for over seven and a half lakhs out of the eight lakhs; nearly seven lakhs under Licenses, Excise, &c., due to increased amounts derived from the Arrack Rents—the revenue under this head is also nearly five lakhs in excess of the estimated revenue; four lakhs under Customs, due principally to increased imports of grain and general miscellaneous trade; nearly two and a half lakhs in Port and Harbour Dues; two lakhs in Fees of Court, due partly to an increase of Rs. 69,000 under the head of Judicial Stamps, owing to administration being taken out to several very valuable estates during the year; and an increase of one lakh in Land Sales.

The surplus fund of the Colony at the end of the year amounted to Rs. 20,145,362. The greater part of this sum has, however, been temporarily advanced to meet expenditure on certain large public works, which are really chargeable to the loan account of the Colony, *e.g.*, Harbour Works, completion of the 1899 Railway Extension Programme, Colombo Railway Extensions Scheme, Duplication of Colombo Water Main, and Irrigation. The total amount advanced on account of these works up to the end of 1909 is Rs. 16,843,348, of which Rs. 6,904,144 has been recovered from the portion of the loan raised.

The appropriation of a sum of Rs. 17,355,076 out of the total surplus balances of Rs. 20,145,362 has been ear-marked for the purposes of certain important and urgently required public works already sanctioned, so that the actual amount unappropriated at the end of 1909 was Rs. 2,790,286.

### *Expenditure.*

The ordinary expenditure of 1909 amounted to Rs. 35,789,398, or Rs. 3,598,115 less than the estimated expenditure, including amount from surplus balances.

The savings on the estimate were chiefly under Public Works Extraordinary Rs. 554,709, and Public Works Annually Recurrent Rs. 227,794, and Rs. 152,450 under Railway Department, though the expenditure under these three heads was largely in excess of that of 1908, and Rs. 132,977 under Railway Works Extraordinary. The present spending capacity of the Public Works Department is not capable of much further expansion without special and temporary arrangements.

There was also a decrease of Rs. 663,815 under Medical Department, of which Rs. 500,000 was unexpended owing to the Opium Ordinance not being in force. The largest excess over the estimate was Rs. 187,063 under Miscellaneous Services, due principally to a sum of Rs. 119,975 paid to the Crown Agents as interest on advances made by them. Hitherto the interest was paid from the interest earned on Ceylon Government balances in the hands of the Crown Agents. This interest is now included under Revenue, and the interest due to the Crown Agents is paid from a vote under Miscellaneous Services.

The following is a comparative statement of expenditure for 1908 and 1909 :—

Heads of Service.	1908.		1909.		Increase.		Decrease.	
	Rs.	c.	Rs.	c.	Rs.	c.	Rs.	c.
1. Public Debt ..	3,607,166	41	3,679,508	45	12,342	4	—	—
2. Military Expenditure ..	1,978,998	55	1,384,137	18	—	—	594,861	37
3. Pensions ..	1,608,539	22	1,361,236	60	—	—	247,302	62*
4. Ecclesiastical ..	3,409	80	3,239	75	—	—	170	5
5. Exchange ..	85,201	67	348,157	60	262,895	93	—	—
6. H. E. the Governor ..	181,519	32	186,230	2	4,710	70	—	—
7. Civil Service ..	824,537	71	863,613	95	39,076	24	—	—
8. Secretariat ..	347,644	55	314,759	41	—	—	32,885	14
9. Controller of Revenue ..	8,113	94	7,452	33	—	—	661	61
10. Treasury ..	79,978	71	77,734	34	—	—	2,144	37
11. Audit Office ..	101,397	57	124,374	66	22,977	9	—	—
12. Provincial Administration ..	1,046,417	14	981,765	56	—	—	64,651	58
13. Settlement Officer under Waste Lands Ordinance ..	157,032	17	159,424	91	2,392	74	—	—
14. Survey Department ..	997,200	49	1,062,466	67	65,266	18	—	—
15. Government Stores ..	73,611	79	188,179	37	114,567	58	—	—
16. Immigration ..	76,322	44	77,545	87	1,223	43	—	—
17. Quarantine ..	32,634	89	54,419	75	21,784	86	—	—
18. Customs ..	163,210	55	161,612	78	—	—	1,597	77
19. Post Office ..	1,611,033	0	1,653,363	91	42,330	91	—	—
20. Forest Department ..	250,451	95	254,547	40	4,095	42	—	—
21. Railway Department ..	5,694,818	70	5,951,173	75	256,355	5	—	—
22. Port and Marine. Colombo ..	489,063	41	484,713	33	—	—	4,350	8
23. Port and Marine other than Colombo ..	37,101	12	38,425	83	1,324	71	—	—
24. Legal Departments :—								
Supreme Court ..	189,202	76	187,225	60	—	—	1,977	16
Attorney-General ..	83,120	47	91,041	70	7,921	23	—	—
Solicitor-General ..	14,667	50	15,555	25	887	75	—	—
District Courts ..	190,797	27	188,711	34	—	—	2,085	93
Courts of Requests and Police Courts ..	138,131	54	135,549	33	—	—	2,582	21
Registration of Lands ..	118,771	85	122,980	68	4,208	79	—	—
Registration of Marriages, Births, and Deaths ..	129,016	30	126,690	51	—	—	2,325	79
Fiscals ..	303,498	61	294,315	86	—	—	9,182	75
25. Police Department ..	1,118,062	63	1,168,187	71	49,225	8	—	—
26. Prisons Department ..	568,592	89	604,088	32	35,505	43	—	—
27. Medical Department ..	2,178,185	58	2,262,316	9	84,130	51	—	—
28. Education ..	1,342,903	47	1,442,464	24	99,560	77	—	—
29. Botanic Gardens ..	151,957	38	146,818	92	—	—	5,138	46
30. Colombo Museum ..	38,615	42	33,668	35	—	—	4,947	7
31. Archaeological Commissioner ..	66,575	22	93,103	96	26,528	74	—	—
32. Veterinary Department ..	23,287	11	107,367	39	84,080	28	—	—
33. Agricultural Society ..	30,000	0	30,000	0	—	—	—	—
34. Mineralogical Survey ..	22,118	72	14,350	26	—	—	7,768	46
35. Inspector of Mines ..	16,206	21	16,426	76	220	55	—	—
36. Inspector of Factories ..	3,457	75	4,706	33	1,248	58	—	—
37. Registrar of Patents ..	—	—	3,520	49	3,520	49	—	—
38. Miscellaneous Services ..	703,074	92	810,373	13	107,298	21	—	—
39. Irrigation Department ..	322,466	94	303,567	49	—	—	18,899	45
40. Irrigation Annually Recurrent ..	197,268	68	195,758	26	—	—	1,510	42
41. Public Works Department ..	665,545	67	673,223	11	7,677	44	—	—

\* See increase under 5, Exchange.

Heads of Service.	1908.		1909.		Increase.	Decrease.
	Rs.	c.	Rs.	c.	Rs.	c.
42. Public Works Annually Recurrent ..	2,420,404	9	2,553,637	86	133,233	77
— Railway Works Annually Recurrent ..	109,695	95	—	—	—	109,695 95
43. Public Works Extraordinary ..	1,947,041	83½	1,719,389	15	—	227,652 68½
44. Irrigation Extraordinary ..	166,452	14	143,418	6	—	23,034 8
45. Railway Works Extraordinary ..	1,978,083	79	976,417	45	—	1,001,666 34
46. Works chargeable to Surplus Balances:—						
Protection of South Coast Railway Line ..	116,148	59	133,124	15	16,975	56
Kalutara Bridge ..	—	—	303,854	16	303,854	16
Negombo Railway ..	—	—	376,761	90	376,761	90
Colombo Defences ..	—	—	110,603	40	110,603	40
Printing Office ..	—	—	24,415	16	24,415	16
Completion of Interlocking Points and Signals ..	—	—	47,732	67	47,732	67
Fitting existing Rolling Stock with Vacuum Brakes ..	—	—	72,375	85	72,375	85
Colombo Customs (Quay Wall and Jetties) ..	—	—	84,304	3	84,304	3
Warehouses, Colombo Customs ..	162,448	94	145,388	98	—	17,064 98
Underground Telephone Cables for Colombo ..	—	—	21	11	21	11
Telephone Exchange, Kandy ..	—	—	7,968	62	7,968	62
Telephone Exchange, Nuwara Eliya ..	—	—	12,755	40	12,755	40
Telephone Trunk Line, Peradeniya Junction to Gampola, Hatton, and Nanu-oya ..	—	—	10,716	92	10,716	92
Hospitals ..	—	—	53,574	16	53,574	16
Precaution against Infectious Diseases ..	—	—	2,380	45	2,380	45
Roads and Bridges ..	—	—	39,647	35	39,647	35
Survey and Settlement ..	—	—	205,611	95	205,611	95
Improvements to Northern Railway Line ..	—	—	240,106	92	240,106	92
Contribution towards relief of sufferers in Messina ..	—	—	30,000	0	30,000	0
Ohilaw Railway Survey ..	—	—	5,103	45	5,103	45
Total Expenditure chargeable to General Revenue ..	35,032,055	39½	35,769,368	63	3,141,499	56
						2,384,156 32½





Rs. 5,954,876 advanced for the Colombo Drainage Works ;  
 Rs. 2,294,721 in stores ;  
 Rs. 852,606 in loans to Local Bodies ; and  
 Rs. 882,974 in miscellaneous advances.

(iii.) The chief liabilities were :—

	Rs.
Widows' and Orphans' Pension Fund ..	5,678,183
General Deposits ..	2,599,925

The assets and liabilities of the Commissioners of Currency are no longer included in the balance sheet of the Colony. The sums hitherto included represented only a portion of the total liabilities and assets of the Commissioners of Currency, and there appeared to be no justification for the inclusion of these amounts in the balance sheet of the Colony. Moreover, this practice is not adopted in other Colonies.

### (C) PUBLIC DEBT.

On December 31, 1909, the public debt of Ceylon stood as follows :—

	£
Nett Sterling Debt ..	4,269,769
Nett Silver Debt (Rs. 2,619,185) ..	174,612
Total indebtedness ..	£ 4,444,381

The following table exhibits in sterling the revenue and nett amount of debt during each of the last eleven years :—

Year.	Revenue.	Nett Amount of Debt.
	£	£
1899 .. ..	1,727,543	3,424,462
1900 .. ..	1,821,729	3,361,750
1901 .. ..	1,762,473	3,297,321
1902 .. ..	1,895,677	4,624,183
1903 .. ..	1,961,554	4,553,169
1904 .. ..	2,056,446	4,476,480
1905 .. ..	2,293,022	4,386,039
1906 .. ..	2,335,377	4,304,396
1907 .. ..	2,438,255	4,194,434
1908 .. ..	2,371,523	4,090,229
1909 .. ..	2,622,190	4,444,381

Out of the 3½ per cent. loan of £3,436,854 authorized by Ordinance No. 6 of 1909, to meet the cost of the Colombo Harbour and Colombo Drainage Works, the Mannar Railway, and other Railway and Public Works, an instalment of £1,500,000 was raised in December, the price of issue being 98½ per cent. A sum of Rs. 6,904,144·63 was received as part proceeds of this instalment of the authorized loan during the year, and applied in repayment of advances made from surplus balances towards the cost of works chargeable to loan funds.

The expenses of raising the instalment of loan charged to the accounts of the year amounted to Rs. 402,831.

It was at first made a condition of the raising of this loan that a reserve fund of 2 million rupees should be created as the first instalment of a reserve fund of 5 million rupees. The Secretary of State, however, subsequently agreed that, in view of the variety of flourishing industries now in existence in Ceylon, the proposal to create a reserve fund may be abandoned.

The expenditure of the Ceylon Government out of loans has, with the exception of comparatively inconsiderable sums spent on Irrigation Works and on the Colombo Water Supply, been made upon two great services : the Colony's

Railways and the Colombo Harbour. Both of these works being regarded as directly remunerative, either immediately or after a reasonable interval, were proper subjects for which to borrow money. They have answered the expectation on which the capital cost was borrowed; they both return a profit to the Colony after the discharge of liabilities for interest and sinking fund.

(D) CURRENCY AND BANKING.

The currency of Ceylon consists of—

- (1) Copper : Ceylon 5-cent, 1-cent,  $\frac{1}{2}$ -cent, and  $\frac{1}{4}$ -cent pieces.
- (2) Silver : the India rupee, with subsidiary Ceylon 50-cent, 25-cent, and 10-cent pieces.
- (3) Gold : British sovereigns, which are legal tender at Rs. 15 per £.
- (4) Ceylon Government notes of Rs. 1,000, 100, 50, 10, and 5.

By Proclamation dated December 13, 1909, the Ceylon 5-cent and  $\frac{1}{4}$ -cent copper coins will cease to be current or legal tender on July 1, 1910. By another Proclamation dated December 13, 1909, the Ceylon nickel bronze 5-cent coin became current or legal tender on January, 1, 1910.

On December 31, 1909, the value of currency notes in circulation was Rs. 17,249,565, on which date the currency reserve was distributed as follows :—

	Rs.	
Gold (£141,500)	..	2,122,500
Rupees	..	6,257,735
Small silver	..	233,000
Colonial investments	..	4,625,049
Indian investments	..	4,011,281

The Chartered Bank of India, Australia, and China; the Hong Kong and Shanghai Banking Corporation; the Bank of Madras; the Mercantile Bank of India; and the National Bank of India, Limited, do business in the Colony.

(E) MUNICIPALITIES.

The following is a comparative statement of the total revenue and expenditure of the Municipalities for the five years ended December 31, 1909 :—

*Colombo.*

Year.	Revenue.		Expenditure.	
	Rs.	c.	Rs.	c.
1905	1,591,742	10	1,387,277	98
1906	1,763,106	35	2,528,754	99
1907	2,382,259	12*	2,217,100	86
1908	1,884,133	4	1,846,000	97
1909	1,848,294	12	2,068,958	38

*Kandy.*

1905	188,553	17	207,938	78
1906	220,691	47	203,242	40
1907	224,196	41	192,736	5
1908	226,646	54	189,138	78
1909	180,602	94	165,850	27

*Galle.*

1905	104,899	23	101,473	50
1906	113,035	46	108,918	0
1907	129,637	81	116,578	59
1908	141,984	46	132,461	26
1909	156,051	80	192,656	31

\* The revenue of the Colombo Municipality for 1907 includes a sum of Rs. 600,000 advanced by Government on account of Drainage Works.

Below will be found a statement of the debts of the Municipalities up to the end of 1909, showing provision for payment :—

Amount of Debt.		On what Account.	Provision for Payment.
Rs.	c.	Colombo.	
		Kandy.	
139,336	68	Waterworks construction	Water-rate of 6 per cent. on properties within certain portions of the Municipality (Ordinances Nos. 18 and 29 of 1884).
105,402	98	Acquisition of lands above reservoir; repairs to main sewer and other various works	Bond assigning portion of water-rate as authorized by Ordinance No. 7 of 1887; also portion of rates and taxes.
18,000	0	To widen Victoria Drive and clear lake silt	Bond assigning portion of rates and taxes under sections 127 (a) and (b), 128, 129, and 130 of Ordinance No. 7 of 1887.
		Galle.	
50,316	6	Construction of waterworks	A water-rate of 5 per cent. is levied within the Fort for repayment of loan.
32,785	71	Sanitary improvements	Mortgage of stamp duties on licenses for carts, boats, and coaches, and also stamp duties under Licensing Ordinances of 1893 and 1897.
345,841	43		

As regards the Municipality of Colombo, a sum of Rs. 4,000,000 has been advanced by the Government towards the cost of the Mansergh Drainage and Sewerage Scheme. The construction of the Colombo Waterworks and the Victoria Bridge was carried out by Government, and the Municipality has undertaken to repay Government an annual sum of Rs. 100,000 until 1924 in respect of the former, and of Rs. 8,000 until 1945 for the latter.

#### (F) LOCAL BOARDS.

There are twenty-one Local Boards in Ceylon. The Boards are entrusted with the maintenance of public health and the general improvement and conservancy of the towns in which they are established. Their sources of revenue are an assessment tax on real property, taxes on vehicles and animals, road commutation tax, stamp duties for various licenses, and fines for breaches of by-laws, &c.

In 1909 the total revenue of these Boards amounted to Rs. 485,802, as against Rs. 430,626 in 1908; and the total expenditure to Rs. 428,385, as against Rs. 411,853·69 in 1908.

Loans are made to Local Boards, usually at 3½ per cent. interest and 2 per cent. sinking fund, for approved purposes, such as waterworks, drainage, erection of markets, &c., on the security of their revenue. Loans outstanding on December 31, 1909, amounted to Rs. 695,804·33.

## II.—TRADE, AGRICULTURE, AND INDUSTRIES.

### (A) IMPORTS AND EXPORTS.

The total value of Ceylon trade in the year 1909 exceeded that of any previous year, as will be seen from the following table :—

Aggregate Value of Imports and Exports for the last Ten Years (omitting Specie, but including Coal exported for the use of Steamers).

Year.	Lakhs of Rupees.	Year.	Lakhs of Rupees.	Year.	Lakhs of Rupees.	Year.	Lakhs of Rupees.
1900 ..	2,206	1903 ..	2,144	1906 ..	2,363	1908 ..	2,648
1901 ..	2,042	1904 ..	2,198	1907 ..	2,631	1909 ..	2,853
1902 ..	2,086	1905 ..	2,240				

The Customs revenue showed an increase of Rs. 429,724, as compared with 1908. There has been a marked advance in the collections on imports, especially in grain and other goods. The record revenue hitherto obtained was in 1907, nearly 2½ lakhs less than 1909.

The chief articles contributing to the revenue in 1909 were:—

	Rs.
Grain .. .. .	3,463,863
Spirits .. .. .	1,359,223
Sugar .. .. .	905,860
Kerosine Oil .. .. .	904,042
Cotton Goods .. .. .	344,365

The distribution of Imports and Exports was as follows:—

	Rs.
Total Imports .. .. .	125,441,000
Total Exports .. .. .	146,899,000

The following table shows the percentage of Imports and Exports—

- (1) From United Kingdom ;
- (2) From British Possessions ;
- (3) From Foreign Countries—

during the last five years:—

*Imports.*

	1905.	1906.	1907.	1908.	1909.
From United Kingdom ..	23·2	26·2	27·2	26·4	26·0
From British Possessions ..	65·1	62·7	60·6	60·4	61·7
From Foreign Countries ..	11·7	11·1	12·2	13·2	12·3

*Exports.*

	1905.	1906.	1907.	1908.	1909.
To United Kingdom ..	52·8	48·7	50·9	49·5	49·2
To British Possessions ..	18·6	18·7	17·2	16·9	15·5
To Foreign Countries ..	28·6	32·6	31·9	33·6	35·3

It will be seen that the proportion of the British and Colonial trade taken together was slightly higher than last year, whilst that of Foreign Countries was lower. The latter now occupy the same position as in 1907. It should be pointed out, however, that the decrease in Foreign Countries is practically confined to India (exclusive of British India) and Borneo. Germany, perhaps our most serious competitor, has improved her position during the year.

*Imports.*

A comparison of the values of imports in 1908 and 1909 shows large increases in 1909 under the following heads:—

(1) *Manures*.—Increase of Rs. 200,000 ; the increase is principally in fish manure, sulphate of ammonia, and sulphate of potash. Increases under this head have been steady, and may be confidently expected in the future owing to the rapid agricultural development of the country. At one time the natives never purchased manures and rarely used them ; they are now among the best customers of the Manure Works in Ceylon.

(2) *Rice*.—Increase of Rs. 2,200,000 ; due to larger imports from the Straits Settlements.

(3) *Haberdashery*.—Increase Rs. 200,000 ; the value of handkerchiefs, scarves, &c., imported rose 50 per cent.

(4) *Paddy*.—Increase Rs. 1,100,000 ; increased imports from British India and Burma.

(5) *Metals and Metalware*.—Increase in value of Rs. 130,000; the largest increase being under Hardware and in the total value of iron and steel. Pig and tin lead showed a fall of 1½ lakh and 1 lakh respectively.

(6) *Spirits*.—The duty recovered was Rs. 89,000 more than in 1908, Rs. 71,000 being accounted for by increased imports of gin. Cheap gin is rapidly becoming a popular competitor with arrack among the lower classes.

There were decreases under the following heads :—

(1) *Coal*.—Rs. 2,700,000; the imports from the United Kingdom, British India, and New South Wales fell off, the largest decrease being in Indian coal, 112,000 tons.

(2) *Kerosine Oil*.—Rs. 300,000, chiefly in bulk oil; more case oil was cleared during the year.

(3) *Tea Chests*.—Nearly Rs. 300,000; due to smaller supplies from the United Kingdom and Japan.

(4) *Bleached Piece Goods*.—Rs. 1,000,000.

(5) *Dyed Piece Goods*.—Rs. 400,000.

In 1908 there were increases amounting to Rs. 1,400,000 under Bleached, Dyed, and Gray Piece Goods, which practically accounted for this decrease in 1909.

The following table shows the changes in the relative positions of the various countries which export goods to Ceylon :—

Ceylon's Chief Sources of Supply (Value of Imports, excluding Specie).

Country.	1907.		1908.		1909.	
	Value of Exports to Ceylon.	Position.	Value of Exports to Ceylon.	Position.	Value of Exports to Ceylon.	Position.
	Rs.		Rs.		Rs.	
1. British India ..	60,468,700	1	54,137,900	1	51,078,100	1
2. United Kingdom ..	32,626,000	2	32,329,000	2	32,576,100	2
3. Straits Settlements ..	2,904,100	5	9,909,500	3	13,073,200	3
4. Burma ..	4,045,800	3	3,049,100	4	5,574,500	4
5. Germany ..	2,921,100	4	2,826,400	5	3,296,500	5
6. Maldives Islands ..	2,267,000	6	2,033,200	6	2,455,000	6
7. Hong Kong ..	1,152,600	11	1,789,000	8	2,047,000	7
8. Japan ..	1,507,000	8	1,818,700	7	1,713,500	8
9. United States of America ..	1,002,400	12	1,097,500	12	1,077,000	9
10. Austria ..	1,297,500	9	1,120,600	11	1,069,400	10
11. Russia ..	59,700	25	737,900	19	1,016,200	11
12. Java ..	735,200	16	1,164,900	10	974,800	12
13. Natal ..	8,400	27	202,100	26	952,800	13
14. France ..	757,600	13	860,900	16	872,800	14
15. Siam ..	627,200	19	1,005,000	14	847,700	15
16. Holland ..	715,900	17	1,095,500	13	724,900	16
17. Belgium ..	694,700	18	647,600	21	702,700	17
18. Victoria ..	740,100	15	724,200	20	655,700	18
19. South Australia ..	744,900	14	856,000	17	645,900	19
20. India (non-British) ..	1,735,000	7	1,275,000	9	587,100	20
21. Switzerland ..	428,300	21	484,800	22	579,700	21
22. West Australia ..	41,100	26	404,000	24	535,000	22
23. Italy ..	451,200	20	424,100	23	393,200	23
24. China ..	124,800	24	166,800	27	322,500	24
25. Borneo (excluding British) ..	1,267,500	10	893,800	15	296,400	25
26. Cochin China ..	—	—	1,400	29	288,200	26
27. Sweden ..	164,400	23	259,100	25	229,100	27
28. South America ..	3,600	28	119,700	28	215,300	28
29. New South Wales ..	329,700	22	746,600	18	147,600	29

The chief features are the advance of the Straits, Burma, Natal, Germany, and Hong Kong, and the decrease in the value of imports from British India, Borneo, New South Wales, and India (excluding British India). With the exception of Germany, the advances are nearly all due to increased imports of one particular article.

There have been few changes in markets. The only cases in which one country has displaced another as the principal supplier to Ceylon have been in the following articles:—*Kerosine oil*, bulk, in which Russia in Asia has taken the place of Borneo; Hong Kong is now the largest supplier of refined *sugar* to Ceylon, supplanting Java; the United Kingdom has displaced Germany as the largest supplier of *aerated water bottles* and *oil-making machinery*; Japan in the value of *tea chests* imported into Ceylon; and Belgium in the supply of *plate glass*. Germany, on the other hand, has taken the lead from the United Kingdom in the supply of *dynamite*, and does a big trade in all *explosives*.

Trade with Germany has also increased in certain chemical manures, toys, beer, copper sheathing, made-up apparel, lace and net, barbed wire, hoop iron, hardware, and perfumery.

Other cases where there have been largely increased imports from Foreign Countries have been in *coffee*—South America sent an increased value of Rs. 113,000 in coffee to Ceylon in 1909, as against a decrease in value of Rs. 156,000 in imports from British India; China has increased her exports of *beans* to Ceylon by Rs. 85,000 worth.

On the whole, it may fairly be said that the United Kingdom and the Colonies held their own in practically every branch of trade with Ceylon in 1909. The articles in which a higher value was imported from a foreign country are nearly all articles which are special products of the country exporting them, *e.g.*, German beer, Dutch cheeses and gin, French brandy and wines, Swiss milk, Italian potatoes, Siamese teak, Norwegian and Swedish worked timber, Japanese silks and satins and rickshaws, and Russian kerosine oil. The only other articles in which a foreign country has taken the lead are hoop iron (German), window glass (Belgian), copper sheathing (German), playing cards, zincware, and bar iron (Belgian), typewriters and clocks (United States of America), matches (Swedish), and embroidery (Swiss). In every other branch the United Kingdom and her Colonies maintain a supremacy, and in very many cases a practical monopoly.

The English trader must not think that he can retain this supremacy without effort. There is very serious competition to be met, and the fact that English trade is at present so far to the fore is, it must be remembered, very largely due to the start it has had in the race. The native prefers English goods, as they still retain their reputation for solid worth and durability. English hardware, cutlery, and machinery are in special demand; the townsman will not buy a cheap imitation article, though he is quite willing to palm it off on the villager. It is among the latter that cheap foreign goods, as, *e.g.*, biscuits, soaps, leather belts, bead ornaments, coloured scarves, &c., are in demand. This is chiefly due to their being put on the market in a more attractive form, intended to catch the eye of the purchaser: gaudy pictures are painted on the box covers, the soaps are called after native deities and pictures are given away with them, belts have portraits on the buckles, pipes—heads carved on the bowls; all such additions appeal to the villager. It behoves the English manufacturer to retain his present reputation for putting the best article on the market, but at the same time he should study the habits and character of the public he appeals to; he should display his wares as far as possible in a form suited to Eastern tastes and requirements.

The intelligence of the commercial traveller can suggest the means ; personal contact is immeasurably superior to any written word. A larger number of English commercial travellers declared their samples at the Customs in 1909 than in 1908 ; there were 127 travellers in all, of whom 81 appear to have been travelling for English firms, while 46 represented foreign firms. Of the latter, 14 were diamond merchants ; the others travelled in electroplate, haberdashery, fancy leather goods, perfumery, and cheap hardware.

### *Exports.*

A comparison of the value of the exports may be made from the following table, which summarizes the staple exports of the Colony in 1908 and 1909 :—

Products.	To United Kingdom.		To British Colonies.		To Foreign Countries.	
	Rs.		Rs.		Rs.	
Tea	{ 1908 ..	44,811,900 ..	{ 1908 ..	14,178,700 ..	{ 1908 ..	14,562,700
	{ 1909 ..	50,608,400 ..	{ 1909 ..	15,253,900 ..	{ 1909 ..	15,149,900
Products of the	{ 1908 ..	10,436,600 ..	{ 1908 ..	1,393,200 ..	{ 1908 ..	17,507,500
Coconut Palm	{ 1909 ..	10,451,100 ..	{ 1909 ..	1,104,500 ..	{ 1909 ..	20,843,000
Plumbago	{ 1908 ..	2,476,900 ..	{ 1908 ..	62,100 ..	{ 1908 ..	5,464,600
	{ 1909 ..	1,964,600 ..	{ 1909 ..	60,500 ..	{ 1909 ..	7,954,500
Cinnamon	{ 1908 ..	259,000 ..	{ 1908 ..	56,000 ..	{ 1908 ..	2,298,800
	{ 1909 ..	301,000 ..	{ 1909 ..	53,900 ..	{ 1909 ..	2,374,700
Cacao	{ 1908 ..	1,890,200 ..	{ 1908 ..	187,400 ..	{ 1908 ..	585,800
	{ 1909 ..	1,954,300 ..	{ 1909 ..	173,300 ..	{ 1909 ..	640,100
Arecanuts	{ 1908 ..	11,000 ..	{ 1908 ..	2,089,800 ..	{ 1908 ..	81,900
	{ 1909 ..	1,900 ..	{ 1909 ..	2,274,900 ..	{ 1909 ..	101,600
Citronella Oil	{ 1908 ..	443,600 ..	{ 1908 ..	84,500 ..	{ 1908 ..	515,600
	{ 1909 ..	565,900 ..	{ 1909 ..	44,000 ..	{ 1909 ..	523,300
Rubber	{ 1908 ..	2,243,700 ..	{ 1908 ..	173,700 ..	{ 1908 ..	1,189,500
	{ 1909 ..	5,080,298 ..	{ 1909 ..	126,282 ..	{ 1909 ..	3,169,023

Of the total value of Ceylon produce exported, the products of the coconut palm represent 22·5 per cent. and tea 56·2 per cent. There was an increase in the value of the products of the coconut palm.

“ The export of copra has surpassed even the record figure established in the preceding year. Shipments of other products, though somewhat less than during 1908, are well above the average of the last ten years, the figures for desiccated coconut and coconuts being second only to the record of the former year.

“ For the first half of the year business was steady without any great fluctuations in price, copra ranging between Rs. 57 and Rs. 64 per candy, and coconut oil between Rs. 387·50 and Rs. 420 per ton. From July onwards, however, the demand outran the supply, and prices rose rapidly, copra at the end of the year standing at Rs. 84 and coconut oil at Rs. 565. These prices are remarkable in face of the satisfactory export figures, and the fact that the recorded copra supply of the world, though slightly less than in 1908, was far in excess of any former year. The indications are that the demand is increasing more rapidly than the supply, promising a continuance of favourable prices in this section of the Colony's trade.”\*

It is noticeable that Foreign Countries spent 80 per cent. more than the United Kingdom and British Possessions on the products of the coconut palm, nearly four times more on plumbago, seven times as much on cinnamon, and a nearly equal amount on citronella oil. In every branch trade with foreign countries increased.

\* Report of the Ceylon Chamber of Commerce.

Ceylon's best customers are given below :—

Country.	1907.		1908.		1909.	
	Value of Exports from Ceylon (excluding Specie).	Position.	Value of Exports from Ceylon (excluding Specie).	Position.	Value of Exports from Ceylon (excluding Specie).	Position.
	Rs.		Rs.		Rs.	
1. United Kingdom ..	65,565,800	1	63,566,800	1	71,987,600	1
2. United States of America ..	11,802,100	2	10,450,900	2	16,403,400	2
3. Russia* ..	9,022,000	3	10,069,200	3	10,428,700	3
4. Germany ..	8,177,500	4	8,171,300	4	9,891,800	4
5. British India ..	5,763,900	5	5,643,100	5	5,440,000	5
6. New South Wales ..	4,255,000	6	3,823,200	7	4,155,700	6
7. Belgium ..	3,233,400	8	4,357,100	6	3,743,000	7
8. Canada ..	2,607,900	10	3,394,900	8	3,567,300	8
9. Victoria ..	3,416,900	7	2,863,300	10	3,427,700	9
10. Austria ..	1,548,800	12	2,151,400	11	3,206,900	10
11. China (excluding Hong Kong) ..	3,209,600	9	3,025,700	9	3,090,500	11
12. New Zealand ..	1,894,500	11	1,977,800	12	2,083,900	12
13. France ..	706,200	13	696,100	15	672,800	13
14. South Australia ..	465,900	17	521,500	17	602,700	14
15. Holland ..	620,900	14	702,800	14	593,800	15
16. Straits Settlements ..	599,600	16	566,700	16	526,900	16
17. Denmark ..	610,700	15	1,152,600	13	432,600	17

* Russia in Asia ..	2,079,100	..	2,769,000	..	2,394,300
Russia in Europe ..	6,942,900	..	7,300,200	..	8,034,400

The United Kingdom, United States of America, Germany, Austria, and Russia have largely increased their imports from Ceylon; Denmark, on the other hand, took less than half the value of last year, the decrease being in copra, and has become the last among the important countries. The increase in the value of Ceylon produce in 1909 is chiefly due to larger shipments of tea, plumbago, rubber, and copra.

### Tea.

The following table shows the comparative distribution of Ceylon tea in 1908 and 1909 :—

#### Principal Markets for Ceylon Tea.

	1908. lb.	1909. lb.
I.—UNITED KINGDOM ..	109,297,386	120,496,262
II.—BRITISH POSSESSIONS :—		
British India ..	1,912,357	1,363,095
Canada ..	8,047,730	8,176,403
Cape Colony ..	383,399	357,738
Hong Kong ..	273,099	217,710
Malta ..	257,675	267,900
Natal ..	612,958	601,355
New South Wales ..	8,863,775	9,483,000
New Zealand ..	4,493,202	4,710,156
Queensland ..	821,510	911,939
South Australia ..	1,144,936	1,327,978
Straits Settlements ..	471,976	398,942
Victoria ..	6,140,989	7,378,684
West Australia ..	567,983	665,775
Other British Possessions ..	590,696	458,323
Total British Possessions ..	34,582,285	36,318,998



III.—FOREIGN COUNTRIES:—		1908.		1909.
		lb.		lb.
Austria	..	157,013	..	189,906
China (excluding Hong Kong)	..	7,344,623	..	7,296,362
Egypt	..	488,336	..	293,750
France	..	609,829	..	772,702
Germany	..	504,448	..	646,407
Russia	..	19,612,592	..	16,972,656
Turkey	..	314,583	..	130,636
United States	..	5,888,238	..	9,043,313
Other Foreign Countries	..	598,979	..	725,553
Total Foreign Countries	..	35,518,641		36,071,285
Grand Total	..	179,398,312		192,886,545

Our staple continues to develop ; the total quantity exported to all countries was about thirteen and a half million pounds in excess of the previous year. The United Kingdom took most of this, while larger supplies also went to Australia and the United States of America. Russia has reduced her imports during the year, due probably to the development of her trade in Indian teas, for which Colombo is a point of distribution. In green tea alone there was an increase of nearly half a million pounds, while exports of this kind to the United States of America rose from 794,964 lb. in 1908 to 1,718,436 lb. in 1909. The average price of teas generally rose from 41 cents per lb. in 1908 to 40 to 43 cents per lb. in the year under review, prices being more favourable during the latter half of the year.

#### *Rubber.*

In 1909 the United Kingdom took a quantity in excess of the entire exports of 1908. The United States of America is our next best customer, taking double the quantity she did in 1908. After deducting Straits rubber sold in the local market, the total quantity exported was as follows:—

				Cwt.
1908	..	..	..	7,808
1909	..	..	..	13,621

During the year prices for rubber reached unprecedented figures, influenced by a very strong demand and a short supply. The record prices paid for Ceylon plantation rubber were 9s. 3½d. per lb. in London, and Rs. 7·20 in Colombo. The year closed with a quotation of 7s. 7½d. for fine hard Para. The Chamber of Commerce reports:—

“Further points which deserve special mention are the general improvement in, and greater regularity of, quality, which have been noticeable during the year, many estates (more particularly those making use of crepe machines) having turned out rubber of such even quality, size, and colour that it has become customary to deal in the produce of such estates on the mark alone, without samples, which has tended to greatly facilitate business.

“Statistics relating to importing markets show the position at the close of the year to be exceptionally satisfactory from a producer's point of view, and prospects for 1910 would appear to be all that can be desired.”

#### (B) MINES, MANUFACTURES, AND FISHERIES.

##### (a) *Pearl Fishery.*

There was no pearl fishery in 1909. The date of the next fishery is quite uncertain. Further investigations and researches were made on the banks during the year by the Company who hold the lease.

The annual rent of Rs. 310,000 was paid to the Government, and a sum of Rs. 73,298 was spent by the Company on the development of the pearl banks by experiment and research.

*(b) The Mineral Survey.*

The Mineral Survey has been continued throughout the year by Mr. J. A. Daniel, Acting Mineral Surveyor.

The most important observations during the year were made in the Central Province near Gampola, and the upper reaches of the Mahaweli-ganga and its tributaries, with special reference to the occurrence of thorianite, monazite, and other valuable minerals in the river gravels.

There were also explorations in the Bintenna district in Uva.

An expedition was made to the graphite mines in the Kandy and Kurunegala Districts, where molybdenite and apatite were noticed with graphite.

All the specimens collected were despatched to the Imperial Institute for examination and report. During the year 1909, 121 specimens were despatched.

In addition to the survey work, the Mineral Gallery at the Colombo Museum was re-arranged and added to. A special grant of Rs. 3,000 was made by Government for the purchase of gems for this gallery. The Mineral Survey was therefore enabled, in addition to the commoner gems, to add several unique specimens to the Gallery, which now forms an interesting reference collection of the more important minerals of Ceylon.

The export of graphite in 1909 was 643,853 cwt., as against 516,316 cwt. in the year 1908.

Only 2 cwt. of thorianite were exported during the year in question.

There was no export of mica.

*(c) Mining.*

*Plumbago.*—There was an increase of Rs. 32,000 in the royalty recovered on plumbago, and of 125,500 cwt. in quantity exported. The year has seen a satisfactory improvement in the plumbago trade, exports being about 25 per cent. more than in the previous year. The quantity taken by the United States of America, Ceylon's chief customer, was about double the amount exported in 1908, and represents 48 per cent. of the total. Germany now holds second place as a buyer of plumbago, taking 2,500 cwt. more than that shipped to the United Kingdom during the year. It is reported that the decrease in exports to the United Kingdom is due to the competition of Korean lead, the bulk of which is sold in London.

The plumbago mines are chiefly in the Ratnapura and Kurunegala Districts and parts of the Western and Southern Provinces. The industry is a somewhat speculative one, success depending largely on the demand for plumbago by buyers in the European and American markets. It is carried on for the most part by native capitalists. A great improvement has been effected in the methods of working the mines or pits since the appointment of a Government Inspector of Mines.

Moonstones are found in the Kandy District, where two large pits were worked during the year. There was a considerable demand for moonstones during the first half of the year. Other precious stones, such as rubies, cat's-eyes, sapphires, &c., are gemmed chiefly in the Ratnapura District.

The quarrying of cabook, or gneiss, and granite has received a stimulus in recent years consequent on the demand for new houses in the principal towns, especially in Colombo and its suburbs.

*(d) Salt.*

The manufacture and collection of salt is a Government monopoly, and is protected by the imposition of a duty of Rs. 3 per cwt. on imported salt. A sum of Rs. 1,520,647.95 was realized by its sale in 1909, or Rs. 239,903.64 less than in 1908. The year was favourable both for manufacture and collection, but owing to the large stocks already in hand restrictions were imposed on the manufacture, and the quantity secured was only 293,457 cwt., or 432,090 cwt. less than in the preceding year.

The stock of salt in the various stores at the end of the year amounted to 1,067,830 cwt., which at the present rate of consumption is sufficient for the needs of the Island for over two years.

(e) *Manufactures.*

Ceylon is essentially an agricultural country, and its manufactures on any large scale are chiefly confined to the products of agriculture.

In the districts where the coconut palm is cultivated copra is manufactured, and is largely exported to the United Kingdom, Germany, and elsewhere in Europe.\* The making of fibre, coir rope and yarn, and coir matting from the husk of the coconut, is also carried out on an extensive scale, the work being done for the most part by women. There are a few desiccating mills, where the kernel of the coconut is dried and specially prepared for export. This industry is being largely developed in the Chilaw District.

In the Northern Province, where tobacco thrives, cigars are manufactured, but there is increasing competition with cigarettes. The Jaffna cigar "merchant" nevertheless is still ubiquitous in the Island, and his cigars, which are small, strong, and extremely cheap, are a favourite smoke with the natives. The future of this industry largely depends on new markets being found, but to effect this an improvement in the method of curing the tobacco is essential.

The manufacture of tiles and bricks is carried on in all parts of the Island where suitable clay is plentiful. Rs. 2,500 worth of Ceylon manufactures under this head were exported in 1909.

The weaving of a coarse kind of cloth in hand looms is carried on in the Eastern, Northern, and Central Provinces. It supplies purely local wants, and the cloth, though strong and of hard wearing quality, is inferior in texture and finish to imported material. It is, however, highly valued by the particular class of natives who use it.

In other districts baskets, tortoise-shell boxes, and combs are manufactured, and common earthenware for water pans and cooking utensils to meet local wants.

Excellent furniture is made in the Western Province, especially at Moratuwa.

Jewellery of very fine workmanship is made in the Northern Province, but on a very small scale. It is a species of filigree work, prized by the Tamil population of the Island.

The indigenous crafts peculiar to the Kandyan country, *i.e.*, silver and brass work, the making of jewellery, earthenware, and painted pottery, lacquer work, and ivory carving, continue to receive encouragement from the Kandyan Art Association. Specimens of these articles are kept in the Kandyan Art Museum, where they can be purchased.

Brass lamps, betel stands, plates, cooking utensils, and water pots are made in the North-Western and Eastern Provinces and at Negombo in the Western Province.

In the Mannar District of the Northern Province the drying and salting of fish gives employment to a large number of people. In 1909 over Rs. 200,000 worth of dried fish was exported from the Mannar District.

(c) AGRICULTURE.

*The Agricultural Society.*

The Ceylon Agricultural Society, founded in November, 1904, had at the end of 1909 a membership of 983.

Twelve shows were held during the year, one of the most successful being a School Garden Show.

Considerable work was done in the introduction of better varieties of fruits, grain, and vegetables. Several of the Government Agents report increased

\* *Vide* remarks under Exports, page 12.

cultivation of vegetables in their districts, which means both an improved food supply and improved health amongst people who live largely on a vegetable diet.

Good progress has been made in transplanting and manuring in paddy (rice) cultivation, and several new varieties of paddy have been introduced.

School gardening is extending rapidly, and there are now 224 gardens attached to schools, an increase of 44 during the year. A series of experiments with modern ploughs have been made, and in some places have met with success. The year has seen a considerable increase in the importation of agricultural machinery. Cultivating tools of modern construction are being used on level areas under rubber and coconut estates. The mechanical means of clearing land, introduced at the experiment station, Maha Illuppallama, are being taken up elsewhere.

Provision has been made for a large experiment in the cultivation of tobacco in the North-Central Province, where 50 acres are being cultivated under the supervision of an expert.

### *Position of Agricultural Industries.*

The year has been one of marked prosperity for estate products in general. The increase in the exports of almost all agricultural commodities has been already referred to. Further experiments have been made in cotton cultivation, but, while the main products of the Island continue to yield increasing profit, little development in this cultivation can be expected. It is generally admitted that much has still to be learnt as to the best seasons in Ceylon for growing cotton. The experiments hitherto made have all shown that the rule in one part of the Island becomes the exception in another, owing to the variations of temperature, rainfall, &c.

The important question of Agricultural Training in Ceylon and the introduction of Co-operative Credit Societies have been fully considered by special Committees during the year. The recommendations of the Committee dealing with the first of these questions are directed towards—

- (1) The establishment of a central school of agriculture at Peradeniya, with a view to the practical training of future agricultural instructors, headmen, and selected teachers, as well as students desiring to study agriculture on their own account.
- (2) The modification of the present system of education in vernacular schools, with a view to the introduction of a training better suited to those whose life will be devoted to agricultural pursuits, and, in order to secure that object, the introduction of a course of study for teachers under training. It is also proposed to offer agricultural scholarships.

The Committee dealing with Co-operative Credit Societies considered fully the reasons of the indebtedness of the villager and the best means of relief.

This question was also discussed at the Durbars of Tamil Chiefs and Low-country Chiefs, while the Kandyan Chiefs at their Durbar considered the allied question of the supply of seed paddy to cultivators. It is probably on these lines, viz., by loan of seed paddy, that most benefit can be secured to the poorer cultivators.

One of the most important branches of all agricultural work, and especially so in tropical climates, is the investigation of pests and blights, which receives the special attention of the Government Entomologist and Mycologist at Peradeniya. The coconut stem bleeding disease, which in the previous year caused some anxiety, has been practically stamped out. There have been no serious outbreaks of plant diseases or pests during the year.

*Cattle.*

The *rinderpest* outbreak continued from the previous year, but towards the end of the year there was a marked improvement, and the disease appeared to be dying out.

The mortality as in the previous year was very high; out of 78,458 cases, 70,940 cattle died. Stringent measures are taken to guard against the introduction of the disease by examination and detention at Tuticorin, the South Indian port from which the cattle are sent over to Ceylon, and by ten days' quarantine on this side. Anti-rinderpest serum has been largely imported from the Imperial Bacteriological Laboratory in India.

## (D) LAND SETTLEMENT.

The Land Settlement Department, which is concerned with the settlement of title (as between the Crown and the subject) to the large area of waste land in the Island, has again succeeded in settling a larger area than in any preceding year.

The total area of waste land settled under the Waste Lands Ordinances at the end of 1909 was 1,413,148 acres. To this must be added large areas sold or leased by this Department.

Almost all claims continue to be settled without recourse to litigation.

Large areas of land suitable for cotton, coconut, and citronella cultivation in the North-Central and Uva Provinces and in the Hambantota and Kurunegala Districts have now been declared to be the property of the Crown under the Waste Lands Ordinances.

The large amount of settlement work that remains to be done has necessitated not only a further strengthening of the Land Settlement and Survey Departments, but also a programme of work calculated to maintain an equilibrium between the outturn of both Departments, and to ensure their closer relationship with each other.

## (E) LAND SALES.

The total number of acres sold, granted at half value, and settled on free grants during 1909 was 25,648. An extent of 19,226 acres was sold outright.

The average price paid for land per acre varied from Rs. 100 to Rs. 150 in the Colombo District, Rs. 70 in the Kalutara District of the Western Province, Rs. 70 in the Kurunegala District, chiefly coconut land, Rs. 56 in Kegalla, chiefly rubber land, Rs. 53 in the Galle District, and Rs. 25 in the Eastern Province, to Rs. 18 per acre in the North-Central Province.

The largest extents of land sold in the Provinces were 4,866 acres in the Western Province, in the North-Western Province 3,244 acres, and in the Province of Uva 3,248 acres. The demand for land is steady; prices have ruled very high in the last few years, owing to the boom in rubber. The demand for rubber land still continues, especially in the Western and Sabaragamuwa Provinces. The prosperity of the coconut industry continues, and the demand for suitable land for its cultivation is now as great as that for rubber.

Town sites always command high prices in Colombo especially, but even in the smaller and more distant places there is considerable competition for land for building sites.

## (F) SURVEY DEPARTMENT.

The operations of the Survey Department during the year comprised 47,500 acres under the block survey. 515 block survey preliminary plans were issued, containing nearly 21,000 lots, and covering an area of 235,000 acres, besides topographical surveys. 2,479 preliminary plans for 15,354 acres were forwarded to the Government Agents during the year. A large increase is shown in the number of village plans issued. Plane table surveys of 329 square miles of

country have been completed. The total area now covered by block surveys is 2,180,791 acres.

The demands made on the Survey Department have been extremely heavy for years past. It has been shown that the demand for land has been very great. In addition to the ordinary application surveys, various other important surveys have been required. Block surveys to keep pace with land settlements, surveys to delimitate boundaries where they have not been recognizable on the ground owing to sales on old preliminary plans, surveys of the towns of Ceylon, delimitations of road reservations, and improved maps have all been urgently required. To deal with this work the staff is being increased. The passing of the Landmarks Ordinance should prove most useful in all future dealings with land. Permanent stone or concrete pickets will be embedded in the ground on the boundaries of sold lots, lands declared private under the Waste Lands Ordinance, and other lands where necessary. Owners of land purchased subsequently to January 1, 1910, should therefore have no difficulty in the future in knowing their boundaries, and surveyors will be able to locate them easily when surveying adjoining land.

The Colombo Observatory was fully equipped with the necessary transit instruments and clocks during 1909, and an experimental time ball was set up to the west of the buildings. A 12½-inch equatorial reflector was purchased in September from Mr. G. N. Molesworth of Trincomalee, and was temporarily erected in the grounds.

The seismograph was transferred from the Technical College on July 5, and has worked satisfactorily from that date.

#### (G) SHIPPING.

The following table exhibits the number and tonnage of vessels entering the ports of Ceylon in 1908 and 1909 :—

Nationality.	1908.		1909.	
	Number.	Tonnage.	Number.	Tonnage.
All nations .. ..	3,533	6,931,953	3,233	7,007,944
British .. ..	1,663	4,658,447	1,553	4,506,996
British, Colonial .. ..	1,125	91,266	976	129,820
German .. ..	203	804,951	206	814,455
French .. ..	153	509,647	142	466,649
Japanese .. ..	109	374,886	109	423,706
Russian .. ..	54	141,538	42	112,489

A decrease in numbers but an increase in tonnage.

Steamship facilities have been considerably improved during the year in various ways. Two Dutch lines have inaugurated weekly services *via* Colombo. The transhipment of tea at Colombo for Russian ports, which was stopped for some time, has been re-started. Both the P. & O. and the Orient Lines have added to their service a number of new and up-to-date vessels. The Orient Line run their outward steamers to call at Colombo on Saturdays from February 26, 1910, instead of on Mondays, heretofore.

#### *Colombo Harbour Dues.*

The total collection of harbour dues at Colombo during 1909 amounted to Rs. 1,623,601·16, an increase of Rs. 235,707·30 over 1908. It was decided that from January 1, 1909, no charge shall be made for the use of the harbour tugs; and a special reduced rate has been fixed for vessels calling for coal and water only, which should tend to make the port still more popular.

## III.—LEGISLATION.

Among the new Ordinances passed during the year were :—

No. 1 of 1909.—“ An Ordinance to amend and consolidate the Law relating to the Protection of Game, Wild Beasts, Birds, and Fish.” This measure consolidates the different Ordinances on this subject, and introduces certain amendments, most of which were recommended by a Committee which recently reported on the subject of game preservation.

No. 7 of 1909.—“ An Ordinance to provide for the erection and maintenance of permanent Landmarks to define the Boundaries of Land alienated by the Crown.” The general object of this Ordinance is to introduce a system of defining the boundaries alienated by the Crown by means of permanent boundary marks of an approved pattern. The marks are set up in the first instance by the Crown at the time of alienation. It then becomes the duty of the owner or occupier to keep them in proper repair or position.

No. 9 of 1909.—“ An Ordinance to amend Ordinance No. 13 of 1889, intituled ‘ An Ordinance amending the Law relating to Indian Coolies employed on Ceylon Estates.’ ” This law gives effect to the recommendations contained in the Report of the Commission appointed in 1908 to inquire into and report upon certain questions connected with labour in this Island, and providing for the monthly payment of estate labour and the registration of all coolies working on estates.

No. 10 of 1909.—“ An Ordinance to amend ‘ The Ceylon Penal Code, 1883.’ ” This Ordinance remedies certain defects in the Penal Code, *e.g.*, it extends the scope of the offence of “ abetment ” so as to include the abetment in Ceylon of the commission of offences outside Ceylon. It also provides for the punishment of persons who utter words, &c., with the deliberate intention of wounding the religious feelings of others.

No. 22 of 1909.—“ An Ordinance to amend and consolidate the Law relating to Stamps.” This Ordinance has been designed to revise and consolidate the law relating to stamps and to bring it into line with modern legislation. It also gives effect to certain amendments proposed by the Chamber of Commerce.

No. 25 of 1909.—“ An Ordinance to make better provision with respect to Contagious and Infectious Diseases of Cattle and other Animals.” This Ordinance introduces improved measures for preventing the introduction and spread of cattle disease and of diseases affecting certain other domestic animals, such as horses, sheep, goats, and swine. Ordinance No. 9 of 1891, which applied only to cattle, is repealed, and re-enacted with considerable additions and modifications.

No. 26 of 1909.—“ An Ordinance to amend the Law relating to Land Surveyors, Auctioneers, and Brokers.” The principal object of this Ordinance is to provide more efficient machinery for dealing with dishonest or incompetent licensed surveyors. This is effected by a system of annual licenses, which the Surveyor-General is empowered to refuse to renew on the ground of serious misconduct, incompetence, or carelessness.

## IV.—EDUCATION.

## (A) PRELIMINARY.

It is not possible to draw the same clear line between elementary and secondary education in Ceylon as can be drawn in other countries. The matter is complicated by the fact that English is a foreign language to all but a small fraction of the population. The Europeans, Burghers, and Eurasians together form a little less than 1 per cent. of the population ; the Sinhalese form 65 per cent. of the total ; the Tamils and Tamil-speaking Moors 33 per

cent. The result is that most of the schools in which English is taught are teaching a language which is foreign to the great majority of their pupils, and the distinction between elementary and secondary education is replaced by the distinction between vernacular and English schools. The vernacular schools really constitute the elementary education of the country.

### (B) VERNACULAR EDUCATION.

The following table shows the numerical progress for the last six years in the case of vernacular schools :—

Year.	Number of Government Schools.		Attendance.		Number of Aided Schools.		Attendance.	
			Boys.	Girls.			Boys.	Girls.
1904 ..	507 ..		46,785 ..	11,678 ..	1,316 ..		77,700 ..	39,103
1905 ..	529 ..		52,375 ..	12,829 ..	1,386 ..		85,436 ..	44,144
1906 ..	566 ..		54,249 ..	13,827 ..	1,429 ..		90,389 ..	44,599
1907 ..	592 ..		55,624 ..	14,372 ..	1,456 ..		88,707 ..	48,518
1908 ..	624 ..		59,756 ..	15,634 ..	1,574 ..		95,467 ..	53,646
1909 ..	656 ..		63,862 ..	17,180 ..	1,652 ..		102,598 ..	53,884

From this it appears that there were in 1909 altogether 2,308 Government and grant-in-aid vernacular schools attended by 166,460 boys and 71,073 girls. These figures show an increase of 110 schools and 13,030 children over the corresponding figures for 1908.

Besides the children attending Government and aided schools, 28,691 children were reported to be receiving instruction in 1,528 unaided schools, almost all of them vernacular; the figures furnished by such schools cannot, however, be relied upon, and the education is often of very little value.

The total spent by Government on vernacular education was Rs. 782,263·06, of which Rs. 326,664·63 was expended on Government schools and Rs. 455,598·43 on aided schools. This gives the cost to Government of education of a child in a Government vernacular school as Rs. 4·03 or 5s. 4½d. per annum, and in an aided vernacular school as Rs. 2·91 or 3s. 11d. per annum.

*Rural Schools Ordinance.*—On the whole, satisfactory progress has been made in carrying out the Ordinance in the sixteen districts which were brought under it by Proclamation in 1908. In fourteen districts by-laws have been approved by Government and published; in seven of these the system of enforcing attendance at grant-in-aid schools is being carried out either wholly or in part. There has been no difficulty so far, and there seems to be every reason to hope that none of the difficulties which were anticipated by some of the managers of aided schools will arise. It is hoped that in the course of the present year it will be brought into working order in all the districts. The scheme adopted by the Committee provides for the establishment of over 200 new Government schools; 32 of these were opened in 1909. Inevitable delays occur in procuring sites and in the preliminaries to the erection of buildings. In some districts it has been found necessary to make altogether new arrangements for carrying out village works. The result of this has been that some of the Committees have carried forward a great part of their funds as balances for the following year.

*Town Schools Ordinance.*—The Local Board of Kegalla is the only place in which this Ordinance is actually at work. A part of the Municipality of Kandy has been proclaimed under the Ordinance, and a school has been built but not yet opened. No progress can be expected under this Ordinance till it is made compulsory in its operation.

### (C) ENGLISH SCHOOLS.

In 1909 there were 236 English and Anglo-Vernacular schools attended by 36,414 pupils, of whom 29,443 were boys and 6,971 girls. As compared with 1908, these figures show an increase of 8 schools and 707 pupils. In



the majority of these schools the work is confined to the schedules of the Educational Code, but there are many in which the upper classes are prepared for the Cambridge Examinations, Senior and Junior, and a few in which the work of the most advanced students reaches a higher level.

The following were the results of the Cambridge Local Examinations, for which 1,143 candidates presented themselves in 1909, viz., 456 for the Senior and 687 for the Junior :—

	Candidates.		Honours.		Passes.	
	Boys.	Girls.	Boys.	Girls.	Boys.	Girls.
Senior ..	412	44	22	6	178	31
Junior ..	567	120	33	3	314	58

The following were the results of the London Examinations held in 1909 :—

	Candidates.	Passes.
Matriculation ..	24	11
Intermediate in Arts ..	20	7
Intermediate in Science ..	2	2
Intermediate in Laws ..	1	1
Bachelor of Arts ..	1	1

The only Government school in which higher education is given is the Royal College, at which in 1909 there were 276 pupils, with an average attendance of 266. The pupils in the upper part of the College are prepared for the Cambridge Local Examinations and the Examinations of the London University as far as the Intermediate in Arts and Science. The staff consists of eighteen masters, of whom five hold English University degrees. The gross cost to Government in 1909 was Rs. 47,173·65, of which a sum of Rs. 19,672·50 was recovered in school fees.

The question of new buildings for the Royal College was under consideration during the year; the original proposals have been considerably modified, and desirable improvements rendered possible by the provision for this work being increased from Rs. 150,000 to Rs. 250,000.

The policy of gradually abandoning the lower school was started by dropping the First Form at the beginning of 1909. At the same time fees have been raised in the upper school from Rs. 10 to Rs. 15, and in the lower school from Rs. 5 to Rs. 7·50. The result of these two changes has been a decrease in numbers, confined, however, to the lower school.

The other institutions in which anything that can fairly be described as higher education is given are registered as aided schools under the Code, with one exception, viz., the Church Missionary Society's Ladies' College in Colombo.

The encouragement offered by Government takes two forms: (a) grants; (b) scholarships :—

(a) In most of the aided English schools grants are paid on the results of examinations in the ordinary schedules of the Code, supplemented by specific subjects. But in some of the better schools the system has been replaced by one under which the greater part of the grant is paid on the average attendance. Liberal grants are also paid for every pupil who obtains honours in the Cambridge Local Examinations, or who passes the London University Matriculation Examination or Intermediate Examination in Arts. The total sum expended in grants to English schools was Rs. 145,365·38 in 1909.

(b) Two University Scholarships of £200 per annum for three years are now awarded on the results of the Intermediate Examinations of the University of London: one on the Examination in Arts, the other on the Examination in Science. One scholarship of Rs. 240 per annum for three years is awarded annually to girls on the results of the Cambridge Senior Local Examination. On the results of the Cambridge Junior Local Examination one scholarship of

Rs. 240 per annum for three years and two of Rs. 120 per annum for three years are awarded annually to boys, and two scholarships of Rs. 120 per annum for three years are awarded annually to girls. The total sum expended in scholarships in 1909 was Rs. 21,720·61.

#### (D) TRAINING OF TEACHERS.

The Government Training College consists of three departments : English, Anglo-Vernacular, and Vernacular. The English department is intended specially to meet the wants of aided English schools ; two studentships of the annual value of Rs. 480 and twenty studentships of the annual value of Rs. 300 are provided by Government. In the Anglo-Vernacular and Vernacular departments students have hitherto been prepared only for work in Government schools ; in 1908 there were 6 students in the Anglo-Vernacular, and 21 in the department for Sinhalese males, 15 in the department for Sinhalese females, 12 in the department for Tamil males. Four schools are carried on in connection with the Training College and on the same premises, viz., three boys' schools, English, Anglo-Vernacular Sinhalese, and Anglo-Vernacular Tamil, and one girls' school, Vernacular Sinhalese. An important regulation has been added to the Code for Aided Schools, by which the second class certificate for English teachers will henceforth be confined to teachers who have gone through a period of training.

#### (E) TECHNICAL AND INDUSTRIAL EDUCATION ; SCHOOL GARDENS.

Higher technical education has been provided for by the Technical College, a Government institution established in 1893 ; in 1897 it was re-organized, and its work largely extended. It has been the regular channel of admission of Ceylonese for the following departments of Government : Public Works, Survey, Railway, Post and Telegraph ; it contained departments of civil engineering, telegraphy, surveying and levelling, drawing and art. In 1909 the number of students (including drawing students) was 228, and the gross cost to Government was Rs. 58,440·25, of which Rs. 4,681·37 was recovered in fees and by the sale of stationery, instruments, &c.

The Technical College was reported upon by a Special Commission appointed in 1908, owing to criticisms with regard to the courses prescribed for the student. As a result of the Commission's report it has been decided to abolish the civil engineering department, and to confine the work of the College to the preparation of candidates for subordinate posts in the Survey, Railway, and Postal Departments, and to the classes in drawing and art. Scholarships for engineering students will in future be offered, which will enable their holders to go through the engineering course at the Madras Engineering College. Separate provision will be made at the Medical College for the instruction of the numerous medical students who have been taught in the Technical College laboratories.

There are no Government industrial schools ; but carpentry schools have been attached to 5 Government schools in the Kandyan Provinces. In 1909 the aided industrial schools, which are 34 in number, received grants amounting to Rs. 15,170. The number of pupils was 4,930, and the trades taught were dressmaking, carpentry, printing, bookbinding, shoemaking, tailoring, blacksmith's work, lace-making, embroidery, gardening, and masonry.

The most important of these schools is the Maggona Certified Industrial School, which is utilized by Government as a reformatory, and carried on by the Roman Catholic Mission. This institution has an estate of about 300 acres and excellent buildings, to the cost of which Government has contributed. At the end of 1909 the number of juvenile offenders receiving instruction in it was 238 ; the trades taught were carpentry, ironwork, masonry, gardening

and estate work, bookbinding, and tailoring. An allowance is paid by Government for the maintenance of each juvenile offender. The total cost of the institution to Government in 1909 was Rs. 25,439·44.

In Ceylon, where 88 per cent. of the population is rural, the technical and industrial education required for the main part of the population is one which will fit them for rural and agricultural life. An attempt is being made to supply this by the scheme for school gardens, which is being carried on in connection with Government schools. There are now 224 Government schools in which gardens are being carried on under the scheme; in all there are 180 schools with school gardens. The seeds and implements are supplied by the Department, and the gardens are visited as often as possible by the Superintendent of School Gardens and his Assistants. The work is encouraged by money prizes for the most successful school in each district.

Needlework in girls' schools has received much attention since the appointment of the Inspectress of Needlework in 1904. The Inspectress visits personally as many schools as she can, and marks the work done at all girls' and mixed schools throughout the Island. This has led to a marked improvement both in plain needlework and in the lace and embroidery done in industrial schools.

#### (F) ESTATE SCHOOLS.

As regards aided estate schools, the figures show progress. At the end of 1909 there were 185 aided estate schools, as against 162 at the end of 1908 and 103 at the end of 1907. The number of estate schools actually examined for grant was 164, as compared with 126 in 1908.

As in the previous year, a form was circulated to collect information from planters. Returns were received from 569 estates, and showed a total number of 8,545 children receiving instruction in schools on the estates, of whom 7,296 were boys and 1,249 girls.

### V.—GOVERNMENT INSTITUTIONS.

#### (A) HOSPITALS.

There are 73 Government hospitals fully equipped with the most modern hospital furniture and surgical appliances. The number of beds in the hospitals ranges from 30 to 425. The outpatients' department of the General Hospital, Colombo, has been commenced, and will be completed next year. In addition to the hospitals, there are 588 outdoor Government dispensaries, and 220 estate dispensaries supported by the planters, who get their drugs free, up to value of 50 cents a cooly.

#### (B) MEDICAL INSTITUTIONS.

The Medical College is a flourishing institution, with 147 medical and 34 apothecary students. The full course of training for medical students is five years; a diploma in medicine, surgery, and midwifery (which can be registered in the United Kingdom) is granted to the successful students. There is a Bacteriological Institute, with a small clinic for tropical medicine attached; a laboratory for the Government Analyst, containing the most modern chemical apparatus; an ophthalmic hospital; a lying-in home; a women's hospital; a children's hospital; and special hospitals for the police and convicts.

#### (C) ASYLUMS.

The Lunatic Asylum is situated in Colombo, and is the only one in the Island. There are 586 inmates.

The Leper Asylum is situated about 6 miles from Colombo, and has 345 patients. A small establishment for lepers exists in the Eastern Province; a large leper settlement is to be founded there, and will shortly be commenced.

In association with Government, a Home for Incurables (containing 80 beds) is worked by a Committee of Government officials and representatives of the public.

(D) POOR HOUSES.

There are no poor houses in Ceylon. In Colombo and some other towns there are Friend-in-Need Societies for the relief of distress, and these are subsidized by Government, the Colombo subsidy being Rs. 12,000 per annum. In addition to this every Government Agent and Assistant Government Agent has an annual vote for "Allowances to Paupers"; the votes vary from Rs. 10,000 in the Colombo District to Rs. 340 in the Nuwara Eliya District; the maximum allowance is Rs. 5 a month.

(E) REFORMATORIES.

There are no Government reformatories in Ceylon, but by an arrangement with the Roman Catholic Mission the Maggona Industrial School is used as a reformatory for youthful offenders (*vide* (E) Technical and Industrial Education).

(F) SAVINGS BANKS.

There are two Government institutions, and the business of both showed a satisfactory working in 1909.

(1) *Ceylon Savings Bank*.—The Ceylon Savings Bank had a sum of Rs. 4,620,801 to credit of 34,884 depositors on December 31, 1909, as against Rs. 4,556,778 to the credit of 34,309 depositors on the corresponding date of 1908. The amount of the bank's invested funds was Rs. 5,060,293. Interest is allowed on deposits at the rate of 3 per cent. on sums of Rs. 1,000 and over, and 4 per cent. on sums under Rs. 1,000.

(2) *Post Office Savings Banks*.—Depositors' accounts increased by 4,740, and amount to credit of depositors by Rs. 245,342, the figures at the end of the year being Rs. 2,447,582 to the credit of 79,704 depositors. In 1908 the increase of accounts was 3,946, and of deposits 83,896. Business is done at 166 offices, at the rate of interest of 2·40 per cent.

## VI.—JUDICIAL.

(A) POLICE.

The authorized strength of the Police on December 31, 1909, was 1 Inspector-General, 6 Superintendents of Police, 14 Assistant Superintendents of Police, 10 Probationary Assistant Superintendents, 21 Inspectors, 38 Sub-Inspectors, 16 European Police Sergeants, 18 European Police Constables, 57 Station House Officers, 239 Native Police Sergeants, and 1,893 Native Police Constables. 475 recruits were enlisted during the year.

The cost of the Force was Rs. 1,198,934, as against Rs. 1,120,414 in 1908. No new punitive forces were imposed during the year.

(B) CRIME STATISTICS.

I.—From Returns furnished by the Inspector-General of Police.

The following figures show the number of offences dealt with:—

Year.		True Cases.		Convictions and Committals.		Percentage of Convictions obtained.
1905 .	..	16,831	..	11,036	..	65·5
1906	..	17,621	..	11,224	..	63·6
1907	..	15,555	..	10,195	..	65·5
1908	..	17,831	..	12,523	..	70·2
1909	..	16,296	..	12,120	..	74·3

Of the above total, 7,945 were statutory offences, breaches of Municipal by-laws, and other minor offences. The real crime is represented by 8,351 offences, as against 6,808 in 1908.

The following table shows the fluctuation of the more important forms of serious crime :—

	1905.	1906.	1907.	1908.	1909.
Murder and homicide..	170 ..	186 ..	188 ..	201 ..	177
Rape ..	23 ..	30 ..	110 ..	129 ..	130
Robbery ..	330 ..	382 ..	926 ..	1,000 ..	937
Burglary ..	1,869 ..	2,107 ..	2,370 ..	2,570 ..	2,456
Grievous hurt ..	448 ..	481 ..	479 ..	329 ..	551
Theft of cattle and prædial products ..	1,623 ..	1,915 ..	1,161 ..	2,079 ..	1,656
Arson ..	230 ..	229 ..	384 ..	499 ..	391
Riot ..	4 ..	8 ..	2 ..	1 ..	1

Offences against property have decreased, while offences against the person have slightly increased.

## II.—From Returns furnished by the Attorney-General.

The number of cases instituted in the Police Courts and Municipal Magistrates' Courts in 1909 was 86,130, as against 81,281 in 1908.

The proportion of persons tried by Police Courts per 100,000 inhabitants was 2,631, as against 2,042 in 1908.

2,593 persons were committed for trial before the Superior Courts. Of these, 64 persons were awaiting trial at the end of the year. Of the remaining 2,539 persons, 1,477 were convicted of various offences and 1,023 persons acquitted, while 22 persons were discharged, the charges against them having been withdrawn, and 7 persons sent to the Lunatic Asylum, having been found to be insane.

*Crime.*—The Inspector-General of Police reports that—

- (1) For the first time for many years there has been a very substantial reduction in the number of murders and homicides.
- (2) There is a steady increase in the detection of burglary, perhaps the best test by which to judge police work. This increase has been continuous since 1905.
- (3) The fall in cattle theft and the recovery to the detection percentage of 1907 is very satisfactory. The percentages for the last three years are 1907 32·1, 1908 25·4, 1909 33·9.

Comparisons with previous years by crime statistics are always liable to be fallacious. An increase in any particular district may often mean that a zealous police officer has succeeded in getting more crime reported, and that offences are no longer suppressed but investigated by the police. There is no doubt, however, that Ceylon is much better policed than ever before, and that the criminal has fewer chances of escape. Complaints are more readily investigated and crime more easily detected, owing to the large increase in the number of police stations throughout the Island, and the improved efficiency in the system of crime reports. Where special attention has been paid to the improved system of policing a Province, the best results have been obtained. The Southern Province had for long the pre-eminence in crime—reference was made in last year's report to the improvement effected in this Province. The Government Agent in his Administration Report for 1909 states: "There has been a vast diminution of crime of the more serious kind, and as regards the whole volume of crime reported to the police, there is a reduction from 798 cases reported in 1908 to 627 cases reported in 1909. The 'true cases' of the district have been reduced from 928 in 1905 to 385 in 1909—a reduction of 58·5 per cent."

As regards crime against the person, no amount of police protection or police investigation is likely to affect this class of crime, which is really governed by the character and impulses of the people. Murders are caused by the most trivial circumstances, and are regrettably frequent. The question of the alternative punishment of transportation for the death sentence as likely to be more deterrent was under further consideration during the year.

### (c) PRISONS.

There was an increase of 219 prisoners in the total number of admissions of convicted prisoners to the prisons in Ceylon during the year, excluding Road Ordinance defaulters, of whom there were 408 in 1909, as against 379 in 1908. The figures are as follows :—

1908	..	..	..	..	8,621
1909	..	..	..	..	8,840

The convictions for murder and manslaughter were 110, as against 101 in 1908. There was an increase in the number of capital sentences carried out :—

				Sentenced to Death.		Hanged.
1908	..	..	..	45	..	23
1909	..	..	..	48	..	30

Of the 48 sentenced to be hanged, 42 were Sinhalese and 6 Tamils ; 27 out of the 48 sentences were confirmed, 13 commuted, in 8 cases pardons were granted.

There were 2 escapes during the year. Both of them are still at large. But there were 4 recaptures of prisoners who escaped prior to 1909.

The total number of deaths in jail was 381, as against 227 in 1908. There was no serious epidemic of any kind. The increase in deaths was due to the prevalence of diarrhoea and dysentery. The average daily sick rate for the year was 167, as against 121 in 1908, an increase of 46. The increase in sickness in the jail has seriously engaged the attention of Government, and changes are being made in the diets of prisoners.

The number of punishments for prison offences inflicted on prisoners decreased from 2,475 in 1908 to 1,801 in 1909. Corporal punishment also decreased from 131 in 1908 to 45 in 1909.

Industrial labour has continued to be carried out and extended. The weaving of cloth for prisoners' clothing was started in Welikada towards the latter end of 1908, and has proved a success, and reduces expenses in clothing the prisoners. At Anuradhapura a quarry was opened in 1908, and continues to supply by prison labour ballast to the Railway Department. At Negombo there is a remunerative basket industry. The estimated value of remunerative labour performed by the prisoners was Rs. 302,142.

In May, 1909, a steam laundry was erected at Welikada Jail at a cost of Rs. 10,000. The whole of the washing of linen from the Medical Health Department and Lunatic Asylum was undertaken by prison labour, and has proved most satisfactory. From January 1, 1910, linen from the Railway Department and the paying wards of the Colombo General Hospital has been taken.

The new Government Printing Office is now in course of erection, and will probably be completed next year, when prison labour will be utilized.

The printing of the railway tickets in Welikada Jail has been continued, over 6,000,000 tickets having been turned out during the year. All embossing work for Government Departments is done by prison labour.

## VII.—VITAL STATISTICS.

## (A) POPULATION.

The population enumerated at the Census (March 1, 1901) was 3,565,954, exclusive of the military, the shipping, and the South African prisoners of war. The natural increase by excess of births over deaths from that date to the end of the year 1909 amounted to 302,710, while the number of Indian immigrants exceeded the number of emigrants by 214,271. The population estimated to the end of 1909 was accordingly 4,082,935, an increase of 44,479 persons or 1.1 per cent. on the population of 1908.

*Birth and Death Rates.*

The births registered during the year numbered 148,891, and were in the proportion of 36.7 per 1,000 persons living. The registered deaths numbered 122,970, and were equal to a rate of 30.3 per 1,000 of the population. Compared with 1908, the birth-rate shows a decrease of 3.4 per mille, and the death-rate an increase of .9 per mille. Compared with the average rates for the eleven years 1898–1908, the birth-rate shows also a decrease of 1.3 per mille, and the death-rate an increase of 1.8 per mille.

*Public Health.*

The year under review cannot be regarded as a healthy one, though there were no serious outbreaks of cholera, smallpox, or enteric fever.

The following table shows the admissions to hospital for and deaths from the most prevalent diseases during 1909 as compared with 1908:—

Diseases.	1908.		1909.	
	Cases.	Deaths.	Cases.	Deaths.
Anchylostomiasis ..	4,434	1,034	4,896	1,184
Chickenpox ..	3,471	1	2,936	3
Cholera ..	51	40	12	7
Dysentery ..	3,099	825	3,273	123
Enteric Fever ..	1,029	248	657	178
Leprosy ..	562	68	607	54
Malarial Fever ..	11,492	718	11,117	612
Parangi ..	3,246	23	3,485	13
Smallpox ..	1,446	321	280	62

There was an increase in the number of persons attacked with dysentery, but the number of deaths was very much less than in 1908. Malarial fever was not as prevalent as usual. Quinine crusades were conducted throughout the Island; it may perhaps now be said that quinine is in wide demand by the native as a fever medicine.

The number of cases of deaths from anchylostomiasis increased; this disease, which is found among the estate coolies from India, is now receiving special attention, and steps are being taken in conjunction with the Planters' Association to prevent its spread in Ceylon.

The number of cases of phthisis in Ceylon also received considerable attention during the year, and a Commission has been appointed to consider measures to be taken to relieve the sufferers from this complaint. It is believed that the climate of the northern part of Ceylon is eminently suited for the establishment of a Home for Consumptives.

There were eleven deaths during the year from appendicitis.

## (B) VACCINATION, &amp;c.

During the year 184,534 subjects were vaccinated. The percentage of successful primary vaccination cases to total inspected was 92.55, while the percentage of successful re-vaccination cases was 74.96.

A Pasteur Institute has been established at Coonoor, where all persons who have been bitten by rabid animals undergo free prophylactic treatment for hydrophobia. The Ceylon Government gives the institute an annual grant, and poor persons bitten by rabid animals, and unable to meet the expenses of the journey, are sent there at the cost of the Government. There were 20 cases of hydrophobia in 1909. Strict measures are being taken to destroy stray dogs and to put the provisions of the Rabies Ordinance in force.

*Plague.*—The Island continues free from the ravages of plague. There was no case during the year. The principal causes of Ceylon's immunity are probably that it is not a terminal port, ships do not come alongside a quay, and cargo lighters are regularly disinfected and kept free from rats.

#### (c) SANITATION.

The water-carriage system in Colombo has made considerable progress during the year. The whole of the section is finished which is to drain the sewage that now finds its way into the harbour; it only requires to be linked up with the dwelling-houses.

The large towns are controlled by Municipalities, other towns have Local Boards, or come under the Small Towns Ordinance.

The general expense of scavenging is met from rates recovered locally, and loans are made occasionally to the local bodies for larger works of permanence, such as water supply, construction of drains, &c., the cost of which they are unable to meet in a lump sum.

See also under head Public Works, (F) Colombo Drainage Works.

#### (D) METEOROLOGY.

The climate of Ceylon varies considerably in different parts of the Island, both as regards temperature and rainfall. In the low-country and coast districts the climate is tropical, but in the mountainous districts in the interior of the Island it resembles that experienced in many parts of Europe, being temperate and equable.

The year 1909 was much below the average as regards rainfall. The highest recorded rainfall was at Ratnapura, 166·46 inches. This district also held the highest record for 1908, with 118·06 inches. The lowest record was at Jaffna, 36·68 inches, as against 25·11 inches at Hambantota in 1908, which was the lowest of that year. The rainfall in Colombo was 66·13 inches, and in Kandy 81·34 inches. At Ratnapura it rained on 244 days in the year, while at Puttalam there was rain on only 67 days.

The hottest stations, taking the mean temperature of night and day all the year round into account, were Mannar and Trincomalee, both with 82·4°. After these comes Batticaloa with 82·2°. The coolest was Nuwara Eliya, 59·1°. Colombo and Kandy were 79·4° and 75·6° respectively.

The highest temperature reached in Colombo was on February 11 and April 20 and 21, 92·8°: the highest on record in Colombo is 95·8°, registered on February 22, 1885.

The highest temperature for the whole Island reached during the year was at Kurunegala, 98·2° on March 28: the highest on record for the Island was at Trincomalee, 103·7° on May 12, 1890.

### VIII.—POST AND TELEGRAPH DEPARTMENT.

Six new Post Offices and ten new Receiving Offices were opened in 1909. The total number of offices now is 418, of which 253 are Receiving Offices for sale of postage stamps and posting and delivery of letters; 165 are Money Order and Savings Banks, and of these 108 are also Telegraph Offices.



A comparison of the revenue and expenditure for the years 1908 and 1909 shows :—

		1908. Rs.		1909. Rs.
Revenue ..		1,417,072	..	1,457,069
Estimated value of work done for Government ..		242,361	..	279,555
	Total ..	1,659,433		1,736,624
Expenditure ..		1,614,602	..	1,694,682
	Balance ..	44,831		41,942

The total estimated number of articles, exclusive of parcels, which passed through the post during the year exceeded  $35\frac{1}{2}$  millions, against  $31\frac{1}{2}$  millions in 1908 and  $30\frac{1}{2}$  millions in 1907.

The business done in parcels is shown as follows :—

		1908.		1909.
Total number of parcels ..		480,775	..	484,703
Number of inland value-payable parcels ..		99,882	..	110,923
Value on inland value-payable parcels ..		Rs. 648,351	..	Rs. 723,778
Number of Indian value-payable parcels ..		73,243	..	80,270
Value on Indian value-payable parcels ..		Rs. 508,850	..	Rs. 613,073

The following are the figures for money orders :—

	No.	Rs.	No.	Rs.
Inland ..	310,154	8,489,757	367,089	9,666,463
Indian ..	181,197	5,233,151	210,568	5,694,935
United Kingdom ..	10,390	400,646	11,007	435,982
Colonial and Foreign ..	11,586	756,523	11,812	774,895
Total ..	513,327	14,880,077	600,476	16,571,775

The business done in postal orders is shown below :—

	No.	Amount.	No.	Amount.
Ceylon ..	61,474	Rs. 203,571	72,543	Rs. 243,553
British ..	22,267	£14,870	27,950	£19,163

The total number of telegrams dealt with was 744,175 in 1909, against 823,905 in 1908—a decrease of 79,730. Foreign telegrams (other than those sent to India) amounted to 110,630. Telegrams received from India and other countries numbered 89,573.

On February 1 the rate for inland telegrams was altered. The free address was abolished, and the former rate of 25 cents for the first 8 words, with 5 cents for each additional word, address and sender's name free, was altered into a rate of 25 cents for the first 10 words, with 5 cents for each additional 2 words, address and sender's name to be counted and charged for. This caused an immediate fall in the number of telegrams, which was not recovered until the end of the year.

The "urgent" class of telegrams was abolished at the same time, and a system of late fees for telegrams despatched out of business hours was introduced.

On the same date arrangements by which telegraph offices at 46 railway stations at places not provided with Postal Telegraph Offices were thrown open to the use of the public, came into operation.

A system of Inland Telegraph Money Orders was inaugurated on February 1, and has proved most successful.

Advantage was taken of the presence in India of Mr. J. Newlands, Deputy Controller of Post Office Telegraphs in London, to obtain his advice on the re-organization of the telegraph traffic arrangements in Ceylon. On his recommendation the whole system has been simplified and the service accelerated. New telegraph forms were introduced, the methods of signalling were revised, and several checks and records were abolished, with the result that there has been considerable improvement in the service.

The through connection to Bombay of one of the Colombo-Madras wires, arranged with the Indian Government through the assistance of Mr. Newlands, has accelerated the transmission of telegrams to Europe by cutting out the re-signalling of them at Madras.

The Department opened town telephone exchanges in Kandy and Nuwara Eliya, and made considerable progress with the construction of a trunk line to connect these exchanges with Colombo. Several licenses were granted for the establishment of small exchanges in the planting districts, this branch of telephone development being left for the present entirely to private enterprise.

There has been an enormous increase in the amount of telephone business done during the last few years.

In 1898 there were 175 telephones in use; there are now 939. The average daily calls at the Colombo Telephone Exchange in 1898 were 211; they now number 4,432.

## IX.—PUBLIC WORKS.

### (A) PUBLIC WORKS DEPARTMENT.

The expenditure of the Public Works Department during the last two years may be compared as follows :—

	1908. Rs.	1909. Rs.
Personal Emoluments .. ..	578,068 ..	584,199
Other Charges .. ..	87,470 ..	88,946
Public Works Annually Recurrent .. ..	2,684,811 ..	2,794,994
Public Works Extraordinary .. ..	1,781,144 ..	1,631,316
Works chargeable to Surplus Balances, Loans, &c. .. ..	415,167 ..	504,495
<b>Total ..</b>	<b>5,546,660</b>	<b>5,603,951</b>

The total annual expenditure of the Public Works Department has increased from Rs. 3,437,862 in 1896 to Rs. 5,603,951 in 1909.

The average annual expenditure during the past fourteen years was Rs. 4,888,645.

The total length of roads maintained by the Public Works Department during the year was 3,782 miles, of which 3,444 miles are cart roads and 338 miles are bridle roads.

### (B) COLOMBO HARBOUR WORKS.

The total expenditure upon the works during 1909 amounted to Rs. 1,717,602·32, and the total expenditure since the commencement of the South-west Breakwater in 1873, including maintenance charges, &c., has amounted to Rs. 41,196,253.

#### *New Arm, South-west Breakwater.*

Work on block setting continued from the end of last year to April 2, and re-commenced after the south-west monsoon as soon as weather permitted in November; up to the end of the year 160 slices were set, or 1,072 feet of breakwater completed.

*Graving Dock.*

The Dock was occupied on seventeen occasions during the year. The revenue amounted to Rs. 41,509·60, and the expenditure to Rs. 53,244·30.

*Patent Slip.*

The Slip was used on twenty-one occasions, producing a revenue of Rs. 50,328. The working expenses amounted to Rs. 11,669·16

## (c) RAILWAY DEPARTMENT.

*Open Lines.*

The Ceylon Government Railway is frequently referred to—more especially in the columns of the local Press—as “the best paying railway in the world.” Such is not the case. The capital expenditure on the Ceylon Government Railways to the end of 1908 was Rs. 86,795,000. The profits that year, viz., the revenue less expenditure—not reckoning interest and sinking fund—amounted to Rs. 5,187,880, or 5·96 on the capital expenditure. From this last sum the Ceylon Government has to pay the interest and sinking fund for loan purposes. The balance of profit is therefore small. It must further be remembered that Railway capital is not debited with the value of the Crown land handed over free of charge for Railway construction. The Railway pays no rates or taxes, and the goods imported for its use are exempt from Customs duty. Pensions to retired Railway officers are not included under Railway Expenditure. There is also a very considerable amount of work done for the Railway Department by other Government Departments which would represent secretarial charges and audit fees, &c., if the duties were performed for a private company.

The total length of the railway lines open for traffic at the end of 1909 was 576½ miles, or an increase during the year of nearly 10½ miles, by the opening on December 1 of the remaining section of the Negombo line, viz., between Ja-ela and Negombo.

The receipts for the year amounted to Rs. 11,746,603, being Rs. 840,172 in excess of the preceding year. To this increase goods traffic contributed more than half, viz., Rs. 539,124, while coaching and miscellaneous traffic increased by Rs. 244,443 and Rs. 56,605 respectively.

The principal increases in goods traffic are as follows:—Rice 15,962 tons; tea 5,063 tons; cacao 1,052 tons; rubber 313 tons; plumbago 4,664 tons; timber (including staves) 2,722 tons; manure 14,912 tons, or, deducting the quantity handled twice in transport from Wharf and Colombo to Kelaniya and Hunupitiya, a nett increase of 3,796 tons; bulk petroleum 1,118 tons; liquid fuel 2,271 tons; and tobacco 612 tons.

Under the head of Coaching, passenger traffic shows increases in the receipts from all classes, including season tickets, the number of ordinary passenger and season ticket holders carried in excess of last year being 354,064 and 4,538 (monthly tickets) respectively. Other coaching traffic also shows an increase of Rs. 21,507.

The working expenses for 1909, excluding expenditure on new works chargeable to capital, amounts to Rs. 5,990,419, as against Rs. 5,850,743 in 1908. The general result of the year's working was as follows:—

				Rs.
Receipts	..	..	..	11,746,603
Working expenses	..	..	..	5,990,419
			Balance ..	5,756,184

Of this balance, a sum of Rs. 936,866 was expended in improvements, new rolling stock, &c. A further sum of Rs. 664,070 from the surplus balances of the Colony was also spent on new works.

The capital outstanding on loans on January 1, 1909, was Rs. 38,753,626, and the total capital cost of the Railway, including additional accommodation, rolling stock, and improvements provided up to December 31, 1909, amounted to Rs. 91,184,208.

Considerable additions were made to the rolling stock in bogie passenger carriages, four-wheeled covered goods, passenger carriages, and goods brakes. Several improvements to stations and buildings, and the extension of the tablet system, interlocking, &c., were carried out during the year.

#### RAILWAY EXTENSIONS.

##### *Negombo Extension.*

The Railway showed a small loss on its working in 1909.\*

The remaining portion of this line was completed and opened for traffic on December 1, 1909. The expenditure during the year was Rs. 377,068, or a total up to December 31, 1909, of Rs. 1,595,383 out of the total estimate of Rs. 1,683,436.

##### *Chilaw Extension.*

The survey and detail estimate of the proposed extension from Negombo to Chilaw have been sanctioned. The work was taken in hand in November, 1909. The line passes through a thickly populated district, the greater part of which is devoted to the cultivation of coconuts. A large goods traffic is expected on this extension. The expenditure in 1909 was Rs. 5,103.

##### *Ratnapura Extension.*

The total length of this extension is approximately 27 miles, starting from Avisawella on the Colombo-Yatiantota narrow gauge (2 ft. 6 in.) line. The total estimated cost is Rs. 2,953,408, and the expenditure up to December 31, 1909, was Rs. 1,310,381, most of which was expended during 1909.

##### *Colombo Stations Extension.*

This work is being pushed forward rapidly; Maradana station has been opened for traffic, and the old Terminus demolished. A large building is being erected at an estimated cost of Rs. 150,000 to form a new railway store. A large inward goods shed is being built on the reclamation of the lake. It has been constructed on concrete piles, and is about three-quarters completed. The works on the new engine shed and engine yard are approaching completion. The new Fort station has been founded on concrete piles, and the work is well in hand. Several other small buildings have been erected on the lake reclamation and elsewhere.

The filling required for the new engine yard and the reclamation of the lake is being brought from Ragama by a special service of trains. Approximately 11,000 tons of filling have been brought to Colombo each month. The bridges at the entrance of the new railway lake basin and over the arm connecting the main and western portions of the lake have been completed; about 11,000 lineal yards of sidings and main lines under this extension scheme have been laid. Practically all the ironwork required for the work has arrived in the Colony. Of the total estimate of Rs. 4,447,145, a sum of Rs. 3,066,768 had been spent up to the end of 1909.

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\* The statement of traffic for the first six months of 1910 shows that the Railway pays about 4 per cent.—Government borrow at  $3\frac{1}{2}$  per cent., and there is therefore a small profit of  $\frac{1}{2}$  per cent.—excluding the 1 per cent. which has to be found for the sinking fund. When the Chilaw Extension is undertaken the Railway should pay better.

*The Mannar Railway.*

Every effort is being made to push on this important link with India, in order to keep pace with the work done by the South Indian Railway on the other side of Adam's bridge.

The Chief Resident Engineer with five Assistants has arrived from England.

The work is one which presents considerable difficulties owing to the shoal foreshore at Talaimannar; the absence of landing places on a surf-beaten beach and the inaccessibility from the land side, due to the fact that the gravel road from Madawachchi would be soon broken up were the heavy ironwork and bridges sent by that route; also owing to the entire absence of roads along the line of route in the sandy island of Mannar. The materials required for the two piers at Talaimannar weigh nearly 3,000 tons, the bridges at Mannar nearly 700 tons, and 20 miles of permanent way materials, including sleepers, about 6,000 tons, or nearly 10,000 tons in all. Temporary piers both on the north and the south sides of Adam's bridge will have to be constructed in the first place, and arrangements made for the conveyance and landing of these materials from the steamers which bring them out.

Instructions have been given to the Chief Resident Engineer that the health of the working parties must be carefully conserved, and that, if necessary, they must be housed in portable mosquito-proof lines of special design, plans of which have already been prepared.

*Sea Coast Duplication and Maradana-Ragama Widening.*

This work was commenced in 1909. On the Main line between Maradana and Ragama all the smaller bridges have been widened, and the filling necessary for the duplication of the line is nearly complete. Extensive alterations have been carried out at Hunupitiya and Ragama.

On the Sea Coast line a new bridge for a double line is being erected in place of the present one 15 chains south of Slave Island station. The new bridge carrying the Kollupitiya road over the railway has been constructed.

The total estimate for the two works is Rs. 2,700,000, out of which Rs. 986,681 had been spent up to the end of 1909.

*Protection of Sea Coast Line.*

The heavy protection works start about 40 chains south of Bambalapitiya station, between which place and the Kollupitiya curve the encroachment of the sea is most marked. The total estimate is Rs. 437,510, out of which Rs. 249,563 had been spent up to the end of 1909.

Further protection works are to be carried out south of Wellawatta, the estimate for which amounts to Rs. 76,000.

**(D) IRRIGATION.**

The present policy in irrigation matters is to develop the irrigable areas opened up by the large irrigation works which have been carried out in the past, and to complete these works by carrying out connected schemes of channels, &c., which will bring the full schemes into general usefulness. Without such surveys it is not possible accurately to define the irrigable area, to say what lands are or are not irrigable, or to devise the most suitable means for supplying them with water. Nor is it possible efficiently to control the distribution of water and ensure its proper and economical use.

In 1908 and 1909 the Indian Government lent the Colony the services of Mr. W. L. Strange, who has reported on the best means of deriving the full benefit from these works. The report is now under consideration.

The expenditure on construction in 1909 was Rs. 389,412, against Rs. 450,299 in the previous year, while the cost of maintenance in 1909 was Rs. 100,069. The total expenditure on irrigation for the year was Rs. 785,756, which includes the cost of staff and all management charges. The recoveries in irrigation rates are small, owing to the very low water rates the cultivators are charged.

The rates in Ceylon are extremely low when compared with India, where rates averaging from Rs. 16 to Rs. 4·50 an acre are charged. In Ceylon the rate levied has never exceeded Rs. 2. When the grain tax was abolished, no steps were taken at the time to increase the irrigation rates proportionately. One of the results of the unchecked supply of water at low rates, which are no standard of its value, has been great wastage. While the irrigation works in Ceylon have proved of enormous indirect advantage, it is now necessary to put them on a business-like footing before any further steps can be taken to extend them—substantial contribution by the cultivators themselves in developing their own resources must be forthcoming.

The area irrigated by the larger works restored by Government is 143,000 acres, or 224 square miles; and 163,000 acres, or 254 square miles, are irrigated by the village works which have been restored by the people under the guidance and supervision of Government officers.

Consideration has been given to numerous minor works for existing tanks in the Wanni—a stretch of land in the north of Ceylon, within easy distance of the Railway, and served by numerous irrigation schemes. This district is at present almost uninhabited, and every effort is being made to attract settlers to land, which irrigation should make one of the most fertile portions of Ceylon.

#### (E) FORESTS.

The future *personnel* of the Forest Department will consist of trained Foresters only, as in the case of the Imperial Forest Service in India. The first two officers trained at Oxford arrived early in January, 1910.

Forest exploitation has been directed towards the elimination of over-mature timber which retarded future regeneration of crops, and to the utilization of timber on areas to be alienated for sale, lease, or irrigation purposes.

The supply to Public Departments at actual cost of output reached a value of about Rs. 713,000 in 1909, as against Rs. 125,000 in 1906, Rs. 401,500 in 1907, and Rs. 548,700 in 1908. During the last five years the Forest Department has delivered 238,496 broad gauge and 87,928 narrow gauge sleepers to the Railway, and holds a large supply in reserve.

The average cost of delivery to date has been Rs. 3·61 per broad gauge and Re. 1·79 per narrow gauge sleeper. The Railway previously paid over Rs. 5 per sleeper for its best supply of broad gauge Jarrah, so that a considerable saving has been effected by the supply being obtained from the local forests, and the sleepers are admittedly more durable. For silvicultural reasons it will be necessary in future to limit the supply of sleepers to 50,000 broad gauge per annum.

#### (F) COLOMBO DRAINAGE WORKS.

Messrs. Mansergh & Son's scheme for the drainage of Colombo will replace the present bucket and dry-earth system, and will provide for the complete sewerage and drainage of the Municipality and the disposal of the sewage by bacterial treatment upon modern lines, at an estimated cost of 20½ million rupees.

The scheme divides the Municipality into eight main drainage areas with a pumping station in each. These areas are subdivided into 22 districts, which can be taken in hand separately as urgency may demand.

The first instalment of the scheme was commenced in 1904, and consists of the harbour drainage area with its pumping station, the main sewer to Madampitiya, the northern pumping station, treatment works, and outfall into the river Kelani, at an estimated cost of approximately 5 million rupees.

In 1908 the extension of the main sewer, from Layard's Broadway to its extremity at Polwatta, was sanctioned at an estimated cost of Rs. 988,000.

The above works are now practically complete, and will be brought into operation as soon as the house connections can be made.

In 1909 a further extension of the scheme was taken in hand, to deal with the drainage areas falling towards the lake and bordering the main sewer. Altogether a total expenditure of Rs. 10,800,000 has been sanctioned up to date.

Sewers are being laid in all the principal streets, capable of taking six times the volume of dry weather sewage. Separate drains are being provided for dealing with heavy rainfall. The pumping stations are fitted with centrifugal pumps worked by gas engines and suction gas plant capable of dealing with the full discharge of the sewers. The system of sewage treatment adopted consists of septic tanks and sprinkling filters capable of dealing with twice the volume of dry weather sewage, and storm water filters for dealing with additional rainfall up to four times the volume of dry weather sewage.

The total expenditure to December 31, 1909, amounted to Rs. 5,803,000, of which Rs. 1,506,000 was expended during the year. 36½ miles of sewers and drains have been completed, 14 miles of which were constructed during the year. The labour force averaged 2,914 men during the year, and reached 3,154 in September.

## X.—GENERAL OBSERVATIONS.

### (A) IMPORTANT EVENTS.

Three Durbars of Native Chiefs were held during the year, for the Tamil Headmen, the Kandyan Chiefs, and the Chief Headmen of the Low-country and Maritime Districts.

The various grades of native ranks and the dresses proper to each rank have been settled, after full and searching historical research. Various old native ranks which had fallen into abeyance have been revived. The numbers of each grade have been fixed, and honours will not in future be granted except as vacancies occur.

The vexed question of the control and administration of the eight sacred places at Anuradhapura was settled. The Atamasthana Committee met, and accepted the terms suggested to them. The limits of the sacred places were marked out and published for general information.

Commissions were appointed during the year to inquire into the following important questions :—

- (a) Development of the Colombo Lake.
- (b) Registration of Vedaralas in connection with the new Opium System.

Committees were also appointed to deal with the following subjects :—

- (a) Agricultural Training.
- (b) Village Co-operative Banks.
- (c) Horse Insurance Fund for Ceylon Volunteer Force.
- (d) Security required from Public Officers.
- (e) Requirements of the Ceylon Court at the Imperial Institute.

Preliminary to the introduction of a system of excise in Ceylon, the services of Mr. Thurley, an expert on the subject, were obtained from the Indian Government. Mr. Horsburgh of the Ceylon Civil Service has been associated with him in inquiries now being made throughout the Island.

Empire Day was celebrated throughout Ceylon with considerable enthusiasm; it has become recognized as a popular holiday, especially amongst the schools.

On September 13 Viscount Kitchener of Khartoum visited Ceylon for a few days on his way to the Far East.

On December 16 General Sir John French paid a visit of inspection to Ceylon, as Inspector-General of Forces, and inspected the Ceylon Volunteers at Colombo and Kandy.

#### (B) PUBLIC SERVICE.

Sir Hugh Clifford, the Colonial Secretary, received the dignity of a Knight Commandership, and Mr. F. C. Loos, the Burgher Member of Council, a Companionship of the Order of Saint Michael and Saint George.

The following deaths during the year among retired members of the Public Service are recorded with regret :—Sir Bruce Burnside, who held the office of Chief Justice of the Colony; Messrs. W. E. T. Sharpe and R. W. D. Moir, who both retired from the office of Government Agent of the Central Province; Dr. W. G. Rockwood, M.D., an eminent surgeon who had retired from the post of Surgeon of the General Hospital at Colombo.

#### (C) IMMIGRATION.

The most important event affecting the labour supply on the estates in Ceylon was the introduction of Ordinance No. 9 of 1909 from October 1. The Ordinance has already been referred to under Legislation (*vide* page 20). The number of immigrant labourers who arrived in Ceylon in 1909 was 80,718, which is above the average for the past five years, which was roughly 76,000. The number for each year depends largely on the state of the crops in South India. The demand for Tamil labour is yearly increasing, and recruiting agencies are to be found all over South India.

The necessity for the construction of a dépôt and segregation camp near Paumben, to provide the necessary facilities for the detention in quarantine of immigrant coolies proceeding by the Mannar route, whenever that line becomes the established line of labour communication between India and Ceylon, has long been recognized. Nearly 37 acres of land have been acquired at Kondegall,  $1\frac{1}{2}$  mile from Paumben. On this land will be erected 20 sheds, each capable of accommodating 40 coolies, an infectious diseases hospital, a dispensary, various outhouses, &c. The water supply has been duly tested.

The Secretary of State has approved the establishment of the dépôt, and a sum of Rs. 70,000 (on account) has been provided for this service in the Estimates for 1910–1911. The Kondegall Camp will also provide facilities for passenger accommodation from Southern India to the Jaffna peninsula, instead of by the Tuticorin-Colombo circuitous route.

#### (D) OPENINGS FOR INVESTMENT OF CAPITAL.

Rubber, coconut, tea, and plumbago are the chief openings for investment of capital. In the Western and Central Provinces the area of Crown land is comparatively very small; the country is covered with estates and native holdings. It is hoped to attract settlers by offering specially favourable terms to the tracts of valuable irrigated land in the Northern, North-Central, and North-Western Provinces, along the Northern Railway. There are also large tracts under the big irrigation schemes, *e.g.*, Giant's tank, where there will be 10,000 acres available, and Vakaneri, which open great possibilities for the paddy cultivator. There are large areas suitable for the cultivation of cotton, which may also prove in time to be one of the paying crops of Ceylon. At present the main products of the Island are so successful that capital can scarcely be attracted to any other cultivation.



(E) GENERAL CONDITION OF THE COLONY ; SOCIAL AND MORAL  
CONDITION OF THE PEOPLE.

Ceylon is passing through a period of prosperity which has affected all classes. The problem of social and moral progress now depends on the use or abuse of wealth. In the disposal of the surplus—which means for the native of this country the difference between his known wants and his acquired tastes—lies the future development of the people of this country.

There is a general demand for the externals of what is regarded as European civilization—the dress, house furniture, food, and drink of the West are now popularized in the East.

Such is the position in a period of prosperity for all—the problem is one for education to face—the preservation of what is good in the old civilization with the benefits to be derived from the new.

June, 1910.

E. B. DENHAM,  
Assistant Colonial Secretary.









## COLONIAL REPORTS, &c.

The following recent reports, &c., relating to His Majesty's Colonial Possessions have been issued, and may be obtained from the sources indicated on the title page :—

### ANNUAL.

No.	Colony, &c.						Year.
620	Barbados	...	...	...	...	...	1908-1909
621	Trinidad and Tobago	...	...	...	...	...	"
622	Straits Settlements	...	...	...	...	...	1908
623	Somaliland	...	...	...	...	...	1908-1909
624	Mauritius	...	...	...	...	...	1908
625	St. Vincent	...	...	...	...	...	1908-1909
626	Jamaica	...	...	...	...	...	"
627	Swaziland	...	...	...	...	...	"
628	Grenada	...	...	...	...	...	1908
629	Leeward Islands	...	...	...	...	...	1908-1909
630	Southern Nigeria	...	...	...	...	...	1908
631	British Honduras	...	...	...	...	...	"
632	British Guiana	...	...	...	...	...	1908-1909
633	Northern Nigeria	...	...	...	...	...	"
634	Basutoland	...	...	...	...	...	"
635	East Africa Protectorate	...	...	...	...	...	"
636	Uganda	...	...	...	...	...	"
637	Weihaiwei	...	...	...	...	...	1909
638	St. Helena	...	...	...	...	...	"
639	Northern Territories of the Gold Coast	...	...	...	...	...	"
640	Ashanti	...	...	...	...	...	"
641	Gambia	...	...	...	...	...	"
642	Malta	...	...	...	...	...	1909-1910
643	Seychelles	...	...	...	...	...	1909
644	Colonial Survey Committee	...	...	...	...	...	1909-1910
645	Falkland Islands	...	...	...	...	...	1909
646	Turks and Caicos Islands	...	...	...	...	...	"
647	Gibraltar	...	...	...	...	...	"
648	Sierra Leone	...	...	...	...	...	"
649	Somaliland	...	...	...	...	...	1909-1910
650	Bahamas	...	...	...	...	...	"
651	Tongan Islands Protectorate	...	...	...	...	...	1909
652	Bechuanaland Protectorate	...	...	...	...	...	1909-1910

### MISCELLANEOUS.

No.	Colony, &c.				Subject.
65	Uganda	...	...	...	Sleeping Sickness.
66	Gold Coast	...	...	...	Forests.
67	Southern Nigeria	...	...	...	Mineral Survey, 1905-1906.
68	Do.	Do.	...	...	Do. 1906-1907.
69	St. Helena	...	...	...	Fisheries.
70	Colonies	...	...	...	List of Laws relating to Patents, Trade Marks, &c.
71	Imperial Institute	...	...	...	Foodstuffs.
72	Fiji	...	...	...	Hurricane.
73	Jamaica	...	...	...	Cayman Islands.









# COLONIAL REPORTS—ANNUAL.

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No. 716.

## CEYLON.

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### REPORT FOR 1910-11.

(For Report for 1909, *see* No. 653.)

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Presented to both Houses of Parliament by Command of His Majesty.  
*July, 1912.*

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# CONTENTS.

MAP.		PAGE
<b>I.—FINANCIAL :</b>		
	General Revenue and Expenditure .. ..	1
	Changes in Taxation .. ..	8
	Assets and Liabilities .. ..	8
	Public Debt .. ..	9
	Currency and Banking .. ..	10
	Municipalities .. ..	10
	Local Boards .. ..	11
<b>II.—TRADE, AGRICULTURE, AND INDUSTRIES :</b>		
	Imports and Exports .. ..	11
	Mines, Manufactures, and Fisheries .. ..	21
	Agriculture .. ..	23
	Land Grants and General Value of Land .. ..	25
	Shipping .. ..	26
<b>III.—LEGISLATION .. ..</b>		
<b>IV.—EDUCATION :</b>		
	Vernacular Education .. ..	30
	English Schools .. ..	31
	Training of Teachers .. ..	32
	Technical, Industrial, and Agricultural Education .. ..	32
	Proposed Educational Reforms .. ..	34
<b>V.—GOVERNMENT INSTITUTIONS :</b>		
	Hospitals .. ..	34
	Medical Institutions .. ..	34
	Asylums .. ..	34
	Poor Houses .. ..	34
	Reformatories .. ..	34
	Savings Banks .. ..	35
<b>VI.—JUDICIAL STATISTICS :</b>		
	Police .. ..	35
	Prisons .. ..	36
	Criminal Statistics .. ..	37
<b>VII.—VITAL STATISTICS :</b>		
	Population .. ..	38
	Public Health .. ..	39
	Sanitation .. ..	40
	Climate .. ..	40
<b>VIII.—POSTAL, TELEGRAPH, AND TELEPHONE SERVICES .. ..</b>		
<b>IX.—PUBLIC WORKS :</b>		
	Public Works Department .. ..	42
	Colombo Harbour Works .. ..	43
	Railway .. ..	43
	Irrigation .. ..	45
	Forests .. ..	46
<b>X.—GENERAL OBSERVATIONS :</b>		
	Important Events .. ..	46
	Public Service .. ..	48
	Changes in the Constitution of the Legislative Council .. ..	48
	Immigration and Emigration .. ..	48
	Openings for Investment of Capital .. ..	49
	General Condition of the Colony .. ..	49



Photo-eth S.G.O., No 57/1/1912.





# REPORT ON THE CEYLON BLUE BOOK OF 1910-1911.

NOTE.—Since the issue of the Report for 1909 the financial year of the Colony has been altered to run from July to June. The present Report therefore covers the period from January 1, 1910, to June 30, 1911.

## I.—FINANCIAL.

### (A) GENERAL REVENUE AND EXPENDITURE.

#### *Revenue.*

THE revenue in 1910–11 amounted to Rs. 65,612,638, which was Rs. 8,425,438 more than the estimate, and Rs. 6,658,404 more than the total expenditure of the eighteen months.

Taking two-thirds of the total for the eighteen months, the proportionate revenue for twelve months during the period under review was Rs. 43,741,758, or Rs. 4,408,897 more than the revenue of 1909.

The following table shows the rapid growth of the Ceylon revenue during the last decade :—

Year.	Revenue.		Expenditure.		Excess of Revenue as compared with previous Year.		Surplus of Revenue over Expenditure.		
	Rs.		Rs.		Rs.		Rs.	Rs.	
1900	..	27,325,930	..	28,948,927 <i>b</i>	..	1,412,789	..	—	1,622,997 <i>a</i>
1901	..	26,437,102	..	29,216,747 <i>c</i>	..	—	..	—	2,779,645 <i>a</i>
1902	..	28,435,158	..	28,042,105 <i>d</i>	..	1,998,056	..	393,053	
1903	..	29,423,308	..	27,078,759 <i>e</i>	..	988,150	..	2,344,549	
1904	..	30,472,325	..	32,019,393	..	1,049,017	..	—	1,547,068 <i>a</i>
1905	..	34,395,336	..	29,736,899	..	3,923,011	..	4,658,437	
1906	..	35,030,661	..	32,644,215	..	635,325	..	2,386,446	
1907	..	36,573,825	..	32,591,522	..	1,543,164	..	3,982,303	
1908	..	35,572,849	..	35,032,055 <i>f</i>	..	—	..	540,794	
1909	..	39,332,861	..	35,789,398 <i>g</i>	..	3,760,012	..	3,543,463	
1910–11*		43,741,758	..	39,302,822 <i>h</i>	..	4,408,897	..	4,438,936	

\* Proportionately for twelve months.

<sup>a</sup> Deficit.

<sup>b</sup> Includes Rs. 3,626,939 from surplus balances.

<sup>c</sup> Includes Rs. 3,320,152 from surplus balances.

<sup>d</sup> Includes Rs. 1,700,227 from surplus balances.

<sup>e</sup> Includes Rs. 363,931 from surplus balances.

<sup>f</sup> Includes Rs. 278,598 from surplus balances.

<sup>g</sup> Includes Rs. 1,906,442 from surplus balances.

<sup>h</sup> Includes Rs. 2,835,115 from surplus balances.

On the proportionate figures for twelve months of 1910–11, it will be seen that the revenue has increased by 60 per cent. during the decade, and that the excess of revenue for 1910–11, as compared with the previous year, is the largest recorded during the period.



The following is a comparative statement showing the actual revenue collected in 1909 and in 1910-11:—

	Revenue for 1909.	Revenue for Eighteen Months 1910-11.	Proportionate Revenue for Twelve Months 1910-11.	Nett Increase.	Nett Decrease.
	Rs.	Rs.	Rs.	Rs.	Rs.
1. Customs .. ..	9,417,162	16,885,970	11,257,313	1,840,151	—
2. Port, Harbour, Wharf, Warehouse, and other Dues .. ..	2,428,808	4,097,681	2,731,787	302,979	—
3. Licenses, Excise, and Internal Revenue not otherwise classified ..	8,463,695	13,802,335	9,201,556	737,861	—
4. Fees of Court or Office, Payment for Specific Services, and Reimburse- ments in Aid .. ..	1,738,804	2,457,736	1,638,491	—	100,313
5. Post and Telegraphs ..	1,450,360	2,700,903	1,800,602	350,242	—
6. Government Railway ..	11,712,704	20,160,125	13,440,083	1,727,379	—
7. Interest .. ..	840,489	1,824,724	1,216,483	375,994	—
8. Miscellaneous Receipts ..	1,672,131	1,119,598	746,399	—	925,732
9. Land Revenue (exclusive of Land Sales) .. ..	445,341	775,831	517,221	71,880	—
10. Land Sales .. ..	1,163,367	1,787,735	1,191,823	28,456	—
Total .. ..	39,332,862	65,612,638	43,741,758	5,434,942	1,026,045
Deduct Decrease .. ..				1,026,045	
Nett Increase for 12 Months .. ..				4,408,897	

There is an increase under every head of revenue as compared with 1909, with the exception of Fees of Court, &c., and Miscellaneous Receipts. The decrease under the latter head is reduced to Rs. 25,732, if allowance be made for an abnormal credit of Rs. 900,000 under this head in 1909, due to an adjustment of the Railway Stores Account. The decrease under Fees of Court, &c., is mainly due to the abolition of judicial stamps as from July 1, 1910, and the substitution of revenue stamps, the value of which went to swell the increase under Licenses, &c. The increases of eighteen lakhs under Customs, seventeen under Government Railway, and three and a half under Post and Telegraph are indicative of the growth of trade and increasing general prosperity.

The principal heads of Customs revenue under which an increase is shown are Grain, Spirits and Cordials, Sugar, Kerosine Oil, and "Other Goods." Licenses, Excise, &c., show an increase of over seven lakhs, chiefly due to increased receipts on account of Salt and Stamps; Interest of three and a quarter lakhs, the Crown Agents having held large balances to the credit of the Colony; and Port and Harbour Dues of three lakhs. Land Sales, which in 1909 were responsible for an increase of Rs. 139,000 as compared with 1908, show for 1910-11 a further increase of only Rs. 28,000.

*Surplus Fund.*—The surplus fund of the Colony on June 30, 1911, stood at Rs. 26,800,436, or Rs. 6,655,074 more than at the end of 1909. The fund is composed of balances accruing by excess of revenue over expenditure in successive years, and is utilized to finance the execution of certain important public works, in accordance with a programme approved by the Secretary of State. Advances are also made from the fund to meet expenditure on works

properly chargeable to loan funds, such as the Colombo Harbour Works and the Mannar Railway, such advances being repaid as further loan funds are raised. The sum of Rs. 16,843,348 shown in the Report for 1909 to have been thus advanced was fully refunded during 1909 and 1910, when the first portion of the loan authorized by Ordinance No. 6 of 1909 was raised. During the first half of 1911 a further sum of Rs. 2,736,933 was advanced to meet expenditure on loan works.

Of the total fund of Rs. 26,800,436, a sum of Rs. 6,793,672 only—including the advance to loan works—had not been definitely appropriated up to June 30, 1911. The original appropriations against the fund, since partially expended, include seventeen and a half lakhs to be expended on roads and bridges, thirty-eight lakhs for survey and settlement of land, thirty-nine for the Chilaw Railway, thirteen for rolling stock, twenty-six for the Badulla Railway, fifteen towards the cost of deepening the Colombo Harbour, besides a number of smaller appropriations for other important public works.

#### *Expenditure.*

The ordinary expenditure of 1910-11, including the amount expended from surplus balances, totalled Rs. 58,954,234, or Rs. 3,884,498·56 less than the estimated expenditure.

The following is a comparative statement showing the actual expenditure in 1909 and in 1910-11.

---

Heads of Service.	Expenditure for 1909.		Expenditure for 18 Months 1910-11.		Proportionate Expenditure for 12 Months 1910-11.		Nett Increase.		Nett Decrease.	
	Rs.	c.	Rs.	c.	Rs.	c.	Rs.	c.	Rs.	c.
1. Public Debt..	3,679,508	45	..	..	4,488,371	22	808,862	77	—	..
2. Military Expenditure	1,384,137	18	..	..	1,972,226	21	588,089	3	—	..
3. Pensions ..	1,361,236	60	..	..	1,380,614	48	19,377	88	—	..
4. Ecclesiastical ..	3,239	75	..	..	4,909	70	33	38	—	..
5. Exchange ..	348,167	60	..	..	471,903	20	—	..	33,555	47
6. His Excellency the Governor	186,230	2	..	..	273,837	34	—	..	3,671	79
7. Civil Service	863,613	95	..	..	1,480,918	19	123,664	84	—	..
8. Clerical Service	—	..	..	..	1,623,001	78	1,082,001	19	—	..
9. Secretariat ..	314,759	41	..	..	394,818	90	263,212	60	—	..
10. Controller of Revenue	7,452	33	..	..	2,874	7	—	..	51,546	81
11. Treasury ..	77,734	34	..	..	61,074	8	—	..	5,536	28
12. Audit Office..	124,374	66	..	..	59,269	57	—	..	36,618	29
13. Provincial Administration	981,765	56	..	..	1,250,432	60	—	..	84,861	61
14. Settlement Officer under Waste Lands Ordinance ..	159,424	91	..	..	833,621	73	—	..	148,143	83
15. Survey Department	1,082,466	67	..	..	141,240	4	—	..	65,204	88
16. Government Stores	188,179	37	..	..	1,801,930	83	138,820	55	—	..
17. Immigration and Quarantine	131,965	62	..	..	233,757	42	—	..	32,341	9
18. Customs ..	161,612	78	..	..	302,718	28	69,846	57	—	..
19. Post Office ..	1,653,363	91	..	..	258,554	18	10,756	67	—	..
20. Forest Department	254,547	40	..	..	1,727,876	28	74,512	37	—	..
21. Railway Department	5,951,173	75	..	..	244,889	12	—	..	9,658	28
22. Port and Marine, Colombo ..	484,713	33	..	..	8,838,955	93	5,892,637	29	58,536	46
23. Port and Marine other than Colombo	38,425	83	..	..	740,645	99	9,050	66	—	..
24. Legal Departments:—	..	..	..	..	56,215	22	—	..	1,615	68
Supreme Court	187,925	60	..	..	36,810	15	—	..	—	..
Attorney-General	91,941	70	..	..	157,513	97	—	..	29,711	63
Solicitor-General	15,555	25	..	..	76,724	44	—	..	16,317	26
District Courts	188,711	34	..	..	20,438	15	—	..	1,929	82
Courts of Requests and Police Courts	136,549	33	..	..	81,261	71	—	..	107,449	63
Registration of Lands	122,980	68	..	..	44,808	46	—	..	90,740	87
Registration of Marriages, Births, and Deaths ..	126,690	51	..	..	37,991	3	—	..	84,989	65
Fiscals ..	294,315	86	..	..	100,124	55	—	..	26,565	96
	..	..	..	..	206,540	19	—	..	87,775	67

25. Police ..	1,168,187 71	1,693,763.13	1,129,175 42	—	39,012 29
26. Prisons Department ..	604,088 32	826,668 21	551,112 14	—	52,976 18
27. Medical Department ..	2,262,316 9	3,903,000 96	2,602,000 64	339,684 55	—
28. Education ..	1,442,464 24	2,214,922 44	1,476,614 96	34,150 72	—
29. Botanic Gardens ..	146,818 92	227,928 1	151,952 1	5,133 9	—
30. Colombo Museum ..	33,668 36	50,448 58	33,632 39	—	35 96
31. Archaeological Commissioner ..	93,103 96	147,466 2	98,310 68	5,206 72	—
32. Veterinary Department ..	107,367 39	127,987 12	85,324 75	—	22,042 64
33. Agricultural Society ..	30,000 0	45,000 0	30,000 0	—	—
34. Mineralogical Survey ..	14,350 26	30,131 97	20,087 98	5,737 72	—
35. Inspector of Mines ..	16,426 76	25,802 33	17,201 55	774 79	—
36. Inspector of Factories ..	4,706 33	6,240 48	4,160 32	—	546 1
37. Registrar of Patents ..	3,520 49	6,278 53	4,185 69	665 20	—
38. Miscellaneous Services ..	810,373 13	1,472,101 88	981,401 25	171,028 12	—
39. Irrigation Department ..	303,567 49	570,221 40	380,147 60	76,680 11	—
40. Irrigation Annually Recurrent ..	195,758 26	187,891 33	125,260 89	—	70,497 37
41. Public Works Department ..	673,223 11	922,453 20	614,968 80	—	58,254 31
42. Public Works Annually Recurrent ..	2,553,637 86	4,151,934 97	2,767,956 65	214,318 79	—
43. Public Works Extraordinary ..	1,719,389 15	2,424,587 62	1,616,391 75	—	102,997 40
44. Irrigation Extraordinary ..	143,418 6	292,407 52	194,938 35	51,520 29	—
45. Railway Works Extraordinary ..	976,417 45	1,680,318 63	1,053,545 75	77,128 30	—
Total Expenditure from General Revenue, Heads 1 to 45 ..	33,882,957 2	54,701,562 28	36,467,708 21	3,906,944 31	1,322,193 12

46. Works chargeable to Surplus Balances :—

Protection of Sea Coast Railway Line ..	133,124 15	96,291 1	64,194 1	—	68,930 14
Kalutara Bridge ..	303,854 16	46,680 41	31,120 27	—	272,733 89
Negombo Railway ..	376,761 90	18,268 11	12,178 74	—	364,583 16
Colombo Defences ..	110,603 40	211,567 27	141,044 85	30,441 45	—
Printing Office ..	24,415 16	198,445 62	132,297 8	107,861 92	—
Completion of Interlocking Points and Signals ..	47,732 67	163,758 82	109,172 55	61,439 88	—
Fitting existing Rolling Stock with Vacuum Brakes ..	72,375 85	102,471 62	68,314 41	—	4,061 44
Colombo Customs (Quay Wall and Jetties) ..	84,304 3	162,901 14	108,600 76	24,296 73	—
Warehouses, Colombo Customs ..	145,383 96	11,290 82	7,527 21	—	137,856 75

Heads of Service.	Expenditure for 1909.		Expenditure for 18 Months 1910-11.		Proportionate Expenditure for 12 Months 1910-11.		Nett Increase.		Nett Decrease.	
	Rs.	c.	Rs.	c.	Rs.	c.	Rs.	c.	Rs.	c.
Police Stations ..	—	..	108,912	34	..	72,608	23	..	72,608	23
Nuwara Eliya Lighting ..	—	..	145,160	34	..	96,773	56	..	96,773	56
Underground Telephone Cables for Colombo ..	21	11	127,700	72	..	85,133	81	..	85,112	70
Telephone Exchange, Kandy ..	7,968	62	—	..	..	..	..	..	7,968	62
Telephone Exchange, Nuwara Eliya ..	12,755	40	—	..	..	..	..	..	12,755	40
Telephone Trunk Line, Peradeniya Junction to Gampola, Hatton, and Nanu-oya ..	10,716	92	..	..	..	..	..	..	..	..
Hospitals ..	53,574	16	..	..	..	76,084	24	..	65,367	32
Precautions against Infectious Diseases ..	2,380	45	..	..	..	116,302	28	..	62,728	12
Roads and Bridges ..	39,647	35	..	..	..	49,78	11	..	47,399	56
Royal College ..	—	..	..	..	..	267,762	5	..	228,114	70
Survey and Settlement ..	205,611	95	..	..	..	59,421	54	..	39,614	54
Improvements to Northern Railway Line ..	240,106	92	..	..	..	407,654	25	..	202,042	30
Contributions towards Relief of Sufferers in Messina ..	30,000	0	..	..	..	173,257	34	..	..	..
Water Supply to Minor Towns—	..	..	..	..	..	..	..	..	30,000	0
Galle ..	—	..	..	..	..	53,291	92	..	..	..
Mannar ..	—	..	79,937	88	..	2,460	88	..	53,291	92
Diyatalawa ..	—	..	..	..	..	2,631	39	..	2,460	88
Railway to Chillaw ..	5,103	45	..	..	..	86,121	66	..	2,631	39
Rolling Stock for Railway ..	—	..	127,682	49	..	629,207	19	..	80,018	21
Wireless Telegraphy ..	—	..	943,810	78	..	629,207	19	..	629,207	19
Extension to General Treasury ..	—	..	860	81	..	573	87	..	573	87
Biological Laboratory, Medical College ..	—	..	2,281	51	..	1,521	1	..	1,521	1
..	—	..	1,330	0	..	886	66	..	886	66
Total Expenditure on Works chargeable to Surplus Balances, Head 46 ..	1,906,441	61	..	..	..	2,835,114	77	..	1,894,412	14
..	..	..	4,252,672	16	..	..	..	..	965,738	98

## Summary of ordinary Expenditure.

From	1909.		1910-11 (18 Months).		1910-11 (12 Months).		Nett Increase.
	Rs.	c.	Rs.	c.	Rs.	c.	
General Revenue	33,882,957	2	..	..	36,467,708	21	2,584,751 19
Surplus Balances	1,906,441	61	..	..	2,835,114	77	928,673 16
Grand Total	35,789,398	63	..	..	39,302,822	98	3,513,424 35

Taking a two-thirds proportion of the figures for the eighteen months for comparison with those of 1909, it will be seen that under ordinary expenditure, exclusive of expenditure from surplus balances, there has been an increase of Rs. 2,584,751.

There is an increase under Public Debt of eight lakhs, mainly due to the payment for the first time of interest on the newly raised loan of £1,500,000; of nearly six lakhs under Military Expenditure, due to re-adjustment of the military contribution for 1909 and 1910-11; of over a lakh under Civil Service, due to supernumerary appointments and to new appointments being made on the increased initial sterling salary. The head Clerical Service appears for the first time, the salaries of the clerical establishments, which up to 1909 were voted to their respective departments, being now combined under this head. The apparent increase of ten lakhs is therefore accounted for by corresponding decreases under the departmental votes. The increase of one lakh under Survey Department includes a new item, provision for the erection of landmarks defining the boundaries of Crown lands sold; while that of three lakhs under Medical Department is accounted for by the expenditure in connection with the working of the new Opium Ordinance. Miscellaneous Services include expenditure in connection with the Excise Commission, the Census, the Coronation celebrations, and the Rubber Exhibition in London. The increase of two lakhs under Public Works Annually Recurrent is in part set off by a decrease of one lakh under Public Works Extraordinary. The principal decreases under other heads call for no special comment, being for the most part due to the transfer of clerical establishments to Clerical Service.

Works chargeable to Surplus Balances show an expenditure for the eighteen months of forty-two and a half lakhs out of sixty lakhs provided in the Estimates; but the proportionate expenditure for twelve months was nine lakhs in excess of that for 1909. The chief items of expenditure during the eighteen months were nine lakhs for Rolling Stock for the Railway, six for Survey and Settlement, two and a half for Improvements to Northern Railway Line, and four for Roads and Bridges.

As apart from ordinary expenditure, the following statement shows the expenditure during the eighteen months on Public Works Extraordinary chargeable to Loan Funds, which was met up to December, 1910, from a portion of the loan raised, and after that date by an advance from surplus balances:—

	Expenditure, January to December, 1910, met from portion of Loan raised in 1909 and 1910.		Expenditure, December, 1910, to June, 1911, met from Surplus Balances pending raising of Balance Loan.		Total.	
	Rs.	c.	Rs.	c.	Rs.	c.
Colombo Harbour Works ..	767,989	81	362,492	23	1,130,482	4
Colombo Stations Extensions ..	409,409	81	85,357	32	494,767	13
Ratnapura Railway Extensions..	557,728	33	639,507	43	1,197,235	76
Duplication of Line, Ragama to Moratuwa ..	605,727	18	363,223	50	968,950	68
Colombo Lake Development ..	26,687	60	16,546	8	43,233	68
Karaiur Reclamation, Jaffna ..	10,897	22	8,522	68	19,419	90
Irrigation Works ..	—		176,743	57	176,743	57
Mannar Railway ..	2,282,632	12	1,084,540	75	3,367,172	87
Expenses of raising Loan ..	163,307	44	—		163,307	44
Colombo Drainage Works ..	499,515	93	—		499,515	93
Total ..	5,323,895	44	2,736,933	56	8,060,829	0

The following comparative statement shows the expenditure on works chargeable to loan funds as compared with 1909 :—

	1909.		1910-11 (18 Months).		1910-11 (12 Months proportionately).	
	Rs.	c.	Rs.	c.	Rs.	c.
Colombo Harbour Works ..	1,539,175	91	1,130,482	4	753,654	69
Colombo Stations Extensions ..	721,558	21	494,767	13	329,844	75
Ratnapura Railway ..	1,116,536	49	1,197,235	76	798,157	17
Duplication of Line, Ragama to Moratuwa ..	978,706	64	968,950	68	645,967	12
Colombo Lake Development ..	20,781	58	43,233	68	28,822	45
Keraur Reclamation, Jaffna ..	6,384	80	19,419	90	12,946	60
Irrigation Works ..	142,582	47	176,743	57	117,829	4
Mannar Railway ..	94,959	39	3,367,172	87	2,244,781	91
Expenses of raising Loan (Ordinance No. 6 of 1909) ..	402,831	0	163,307	44	108,871	62
Colombo Drainage Works ..	—		499,515	93	333,010	62
Total ..	5,023,516	49	8,060,829	0	5,373,885	97

It will be seen that on a two-thirds proportion of the figures for the eighteen months the total expenditure for twelve months during 1910-11 was over Rs. 350,000 in excess of that for 1909. By far the largest item of expenditure was that on account of the Mannar Railway. The Government contribution towards the cost of the Colombo Drainage Works appears for the first time.

#### (B) CHANGES IN TAXATION.

The antiquated system of road tolls was abolished as from January 1, 1911, and to cover the consequent loss to the revenue the following increases in Customs duties were brought into force in December, 1910 :—

Article.	Old Duty.	New Duty.
Spirits ..	Rs. 6 a gallon (proof)	Rs. 7 a gallon (proof)
Tobacco (manufactured) ..	40 cents a lb.	Re. 1.40 a lb.
Tobacco (unmanufactured) ..	25 cents a lb.	75 cents a lb.
Kerosine oil ..	25 cents a gallon	30 cents a gallon
Matches ..	5½ per cent. <i>ad valorem</i>	60 cents a gross
Coffee ..	Nil	3 cents a lb.

#### (C) ASSETS AND LIABILITIES.

The assets of the Colony on June 30, 1911, were Rs. 35,479,125, and the liabilities Rs. 11,415,622, the assets thus exceeding the liabilities by Rs. 24,063,503. Further, as already stated, a sum of Rs. 2,736,933 had been advanced from surplus balances for Harbour, Railway, and Irrigation expenditure, which will ultimately be charged to loan.

Of the assets, a sum of—

Rs. 8,401,475 was in cash in the hands of the Treasurer, the Government Agents, the local banks, and the Crown Agents in London ;  
 Rs. 15,373,869 in investments ;  
 Rs. 7,530,909 advanced for the Colombo Drainage Works ;  
 Rs. 1,995,522 in stores ;  
 Rs. 1,025,209 in loans to Local Bodies ; and  
 Rs. 846,004 in miscellaneous advances.

The chief liabilities were—

	Rs.
Widows' and Orphans' Pension Fund ..	6,246,032
General Deposits.. ..	3,653,532

## (D) PUBLIC DEBT.

On June 30, 1911, the public debt of Ceylon stood as follows :—

	£
Nett Sterling Debt .. ..	5,145,603
Nett Silver Debt (Rs. 2,502,243) .. ..	166,816
Total indebtedness .. ..	<u>£5,312,419</u>

The following table exhibits in sterling the revenue and nett amount of debt during each of the last six years :—

Year.	Revenue. £	Nett Amount of Debt. £
1905 .. ..	2,293,022	4,386,039
1906 .. ..	2,335,377	4,304,396
1907 .. ..	2,438,255	4,194,434
1908 .. ..	2,371,523	4,090,229
1909 .. ..	2,622,190	4,444,381
1910-11 (proportionate for 12 months) ..	2,916,117	5,312,419

It will be noticed that the total indebtedness is less than twice the annual revenue.

With the exception of the loan of Rs. 300,000 (£20,000) borrowed from the Ceylon Savings Bank, which is repayable by an annuity of Rs. 20,000 (£1,333. 6s. 8d.), provision is made for the repayment of all loans by a sinking fund of 1 per cent. The loan of £250,000 borrowed between 1876 and 1884 from the Public Works Loan Commissioners in England for the improvement of the Colombo Harbour was extinguished in February, 1911.

Out of the 3½ per cent. loan of £3,436,854 authorized by Ordinance No. 6 of 1909 to meet the cost of the Colombo Harbour and Drainage Works, the Mannar Railway, and other railway and public works, a sum of £1,500,000 has already been raised, the price of issue being 98½ per cent. The total amount realized was Rs. 22,163,756, of which Rs. 566,138 represented expenses of flotation. The nett amount realized was applied in repayment of sums advanced from surplus balances to meet the cost of works chargeable to loan funds, and towards further expenditure on loan works. The allocations against this moiety of the loan, which was fully exhausted by December, 1910, have been as follows :—

	£
Northern Railway .. ..	50,438
Uda Pussellawa Railway .. ..	32,458
Kelani Valley Railway .. ..	19,582
Stations Extensions .. ..	240,867
Ratnapura Railway .. ..	128,711
Duplication of Open Lines .. ..	109,994
Mannar Railway .. ..	168,656
Duplication of Water Main .. ..	58,185
Irrigation .. ..	64,334
Colombo Lake Development .. ..	3,297
Karaiur Reclamation .. ..	1,200
Colombo Drainage Works .. ..	34,694
Colombo Harbour Works .. ..	587,584
Total .. ..	<u>1,500,000</u>



## (E) CURRENCY AND BANKING.

The currency of Ceylon consists of—

Copper : Ceylon 1-cent and  $\frac{1}{2}$ -cent pieces,  $6\frac{1}{2}$  cents being equivalent to 1d. English.

Nickel : Ceylon 5-cent piece.

Silver : Indian rupee (= 100 cents), equivalent to 1s. 4d. English ; and Ceylon 50-cent, 25-cent, and 10-cent pieces.

Gold : British sovereigns, which are legal tender at Rs. 15 to the sovereign.

Ceylon Government currency notes of Rs. 1,000, 100, 50, 10, and 5.

The nickel 5-cent piece became legal tender on January 1, 1910, while the copper 5-cent and  $\frac{1}{2}$ -cent coins were demonetized from July 1, 1910.

On June 30, 1911, the value of currency notes in circulation was Rs. 19,737,240. the currency reserve on that date being distributed as follows :—

				Rs.	c.
Gold (£59,000)	..	..	..	885,000	0
Rupees ..	..	..	..	7,831,216	65
Small silver	..	..	..	158,000	0
Colonial investments	..	..	..	5,620,048	77
Indian investments	..	..	..	5,242,974	58

The Chartered Bank of India, Australia, and China ; the Hong Kong and Shanghai Banking Corporation ; the Bank of Madras ; the Mercantile Bank of India, Limited ; and the National Bank of India, Limited, do business in the Colony.

## (F) MUNICIPALITIES.

The following is a comparative statement of the total revenue and expenditure of the Municipalities for the five years ended December 31, 1910 :—

*Colombo.*

Year.	Revenue.			Expenditure.	
	Rs.	c.		Rs.	c.
1906	..	..	1,763,106 35	..	2,528,754 99
1907	..	..	2,382,259 12*	..	2,217,100 86
1908	..	..	1,884,133 4	..	1,846,000 97
1909	..	..	1,848,294 12	..	2,068,958 38
1910	..	..	2,260,049 41	..	2,191,141 42

*Kandy.*

1906	..	..	220,691 47	..	203,242 40
1907	..	..	224,196 41	..	192,736 5
1908	..	..	226,646 54	..	189,138 78
1909	..	..	180,602 94	..	165,850 27
1910	..	..	224,346 80	..	225,323 32

*Galle.*

1906	..	..	113,035 46	..	108,918 0
1907	..	..	129,637 81	..	116,578 59
1908	..	..	141,984 46	..	132,461 36
1909	..	..	156,051 80	..	192,656 31
1910	..	..	135,329 75	..	156,856 28

\* The revenue of the Colombo Municipality for 1907 includes a sum of Rs. 600,000 advanced by Government on account of Drainage Works.

Below will be found a statement of the debts of the Municipalities up to June 30, 1911, showing provision for payment :—

Amount of Debt outstanding.	On what Account.	Provision for Payment.
Rs. c. (See below) ..	<i>Colombo.</i> — ..	—
132,340 87 ..	<i>Kandy.</i> Waterworks construction ..	Water-rate of 6 per cent. on properties within certain portions of the Municipality (Ordinances Nos. 18 and 29 of 1884).
105,402 98 ..	Acquisition of lands above reservoir; repairs to main sewer and other various works	Bond assigning portion of water-rate as authorized by Ordinance No. 7 of 1887; also portion of rates and taxes.
18,000 0 ..	To widen Victoria Drive and clear lake silt	Bond assigning portion of rates and taxes under sections 127 (a) and (b), 128, 129, and 130 of Ordinance No. 7 of 1887.
201,167 98 ..	<i>Galle.</i> Construction of waterworks ..	A water-rate of 5 per cent. is levied within the Fort for repayment of loan.
37,840 82 ..	Sanitary improvements ..	Mortgage of stamp duties on licenses for carts, boats, and coaches, and also stamp duties under Licensing Ordinances of 1893 and 1897.
494,752 65		

As regards the Municipality of Colombo, a sum of Rs. 7,530,909 has been advanced by the Government towards the cost of the Mansergh Drainage and Sewerage Scheme. The construction of the Colombo Waterworks and the Victoria Bridge was carried out by the Government, and the Municipality has undertaken to repay Government an annual sum of Rs. 100,000 until 1924 in respect of the former, and of Rs. 8,000 until 1945 for the latter.

### (c) LOCAL BOARDS.

There are twenty-one Local Boards in Ceylon. The Boards are entrusted with the maintenance of public health and the general improvement and conservancy of the towns in which they are established. Their sources of revenue are an assessment tax on real property, taxes on vehicles and animals, road commutation tax, stamp duties for various licenses, and fines for breaches of by-laws, &c.

In 1910 the total revenue of these Boards amounted to Rs. 448,420, as against Rs. 485,802 in 1909; and the total expenditure to Rs. 436,933, as against Rs. 428,385 in 1909.

Loans are made to Local Boards, usually at  $3\frac{1}{2}$  to  $4\frac{1}{2}$  per cent. interest and 2 per cent. sinking fund, for approved purposes, such as waterworks, drainage, erection of markets, &c., on the security of their revenue. Loans outstanding on June 30, 1911, amounted to Rs. 445,389.

## II.—TRADE, AGRICULTURE, AND INDUSTRIES.

### (A) IMPORTS AND EXPORTS.

(The attention of those interested in the trade of the Island may be directed to the annual Administration Report of the Principal Collector of Customs for 1910-11,\* from which the following particulars are extracted.)

\* Obtainable at the Government Record Office, Colombo, price 75 cents, or 1s.

*Trade in General.*

The total value of Ceylon trade in the year 1910-11 once again exceeded that of any previous year, as will be seen from the following table :—

Aggregate Value of Imports and Exports for the last Ten Years (omitting Specie, but including Coal exported for the use of Steamers).

Year.	Lakhs of Rupees.	Year.	Lakhs of Rupees.	Year.	Lakhs of Rupees.	Year.	Lakhs of Rupees.
1901 ..	2,042	1904 ..	2,198	1907 ..	2,631	1909-10 ..	3,088
1902 ..	2,086	1905 ..	2,240	1908 ..	2,648	1910-11 ..	3,432
1903 ..	2,144	1906 ..	2,363				

The year (July to June) 1910-11 was remarkable for an extraordinary increase in Customs revenue, showing an advance of Rs. 1,917,750, as compared with 1909-10. As against a total revenue of Rs. 7,279,985 in 1900, the total for 1910-11 was Rs. 11,881,238, or an increase of 63 per cent. in the decade.

The chief source of this revenue in 1909-10 and 1910-11 was the import duty on—

	1909-10. Rs.	1910-11. Rs.
Grain ..	3,584,487	4,041,166
Spirits ..	1,425,826	1,815,591
Kerosine Oil ..	848,905	1,282,301
Sugar ..	974,485	1,110,869
Cotton Goods ..	367,902	460,508

The total trade of the Colony, excluding specie and coal exported for use of steamers, amounted to Rs. 328,857,769, an increase of Rs. 34,700,000, or 11·8 per cent. over 1909-10, compared with an increase of Rs. 42,700,000 (nearly 17 per cent.) during the previous period. Except 1907 there is no year which can approach either of the last two in expansion of trade.

The following table gives details for the last ten years of the annual value of the trade of the Colony, omitting specie and the value of coal for the use of steamers :—

Year.	Imports.	Exports.			Total.	Total of Imports and Exports, omitting Specie and the Value of Coal for use of Steamers.
		Produce and Manufacture of the Colony.	British, Foreign, and other Colonial Produce and Manufacture.			
	Rs.	Rs.	Rs.	Rs.	Rs.	
1901 ..	104,050,036	85,977,410	1,273,700	87,251,110	191,301,146	
1902 ..	97,883,263	96,771,467	1,462,923	98,234,390	196,117,653	
1903 ..	100,889,372	100,871,556	1,356,167	102,227,723	203,117,095	
1904 ..	105,324,719	99,894,461	1,214,415	101,108,876	206,433,595	
1905 ..	108,324,328	100,898,551	1,291,158	102,189,709	210,514,037	
1906 ..	112,789,269	108,248,232	1,463,412	109,711,644	222,500,913	
1907 ..	120,061,934	127,095,587	2,272,664	129,368,251	249,430,185	
1908 ..	122,420,393	127,015,846	1,946,310	128,962,156	251,382,549	
1909-10 ..	136,256,342	153,899,326	3,941,002	157,840,328	294,096,670	
1910-11 ..	156,662,547	166,194,490	6,000,732	172,195,222	328,857,769	

It will be noticed from the above table that for the last four years the value of the exports has materially exceeded that of the imports. This is due practically entirely to the weighty influence of the valuable new export, rubber. In 1906, the last year when imports exceeded exports, the value of the rubber exports was only Rs. 1,527,539; last year (1910-11) it was Rs. 24,512,180, exclusive of 3½ millions of rupees worth of Straits and Indian rubber transhipped here. The great increase in imports last year, however, reduced the balance in favour of exports from Rs. 21,600,000 to Rs. 15,500,000.

An analysis of the distribution of the trade of Ceylon as between the United Kingdom, British Colonies, and foreign countries during the past three years gives the following figures (omitting imports of rubber, specie, and coal exported for the use of steamers):—

		1908.	1909-10.	1910-11.
Percentage of total trade of Ceylon taken by—				
United Kingdom	..	38·42	38·60	38·09
British Colonies	..	37·86	35·33	34·52
Foreign Countries	..	23·72	26·07	27·39
Percentage of import trade of Ceylon taken by—				
United Kingdom	..	26·62	26·90	28·45
British Colonies	..	60·11	60·56	58·04
Foreign Countries	..	13·27	12·54	13·51
Percentage of export trade of Ceylon taken by—				
United Kingdom	..	49·54	48·44	46·5
British Colonies	..	16·9	14·9	14·02
Foreign Countries	..	33·56	37·47	39·48

There is a steady advance by foreign countries both in import and export trade. The United Kingdom takes a trifle less of our products, but is securing a larger share of our import trade. The advance of foreign countries, in fact, seems to have been mainly at the expense of other British Colonies, whose share in Ceylon trade has decreased under both heads. The salient fact which emerges is that while foreign countries have made comparatively little headway in the competition for the supply of our imports (their share even now being only 13½ per cent.), they are increasingly good customers for our exports.

A comparison between the increase in population, as shown by the recent Census, and the increase in value of trade during the ten years is of interest, as indicating the marked prosperity which the Island has recently enjoyed :—

	Per Cent.
Increase in population since 1901..	14·98
Increase in imports	50·00
Increase in exports	100·00
Increase in total trade	72·00

#### Imports.

There were advances under practically all heads, especially noteworthy being those under Cotton, Metals, Manures, Sugar, and Kerosine Oil.

*Biscuits and Confectionery.*—The imports of *biscuits* rose 45 per cent., i.e., from 1,000,697 lb. (in 1909-10) to 1,449,429 lb., an increase in one year greater than the total increase in the preceding ten years. The consumption of *confectionery* was 969,441 lb., or 13 per cent. more than in the preceding twelve months.

*Cement.*—The activity in the building trade is strikingly illustrated by the increase in the demand for cement, the number of hundredweights imported in 1910-11 (345,422) being nearly 50 per cent. more than in the preceding twelve months.

*Coal* imports rose from the depressed figure of 1909 (552,745 tons) to 676,398 tons. The average for the last ten years is about 620,000 tons.

*Cotton, Manufactured and Raw.*—The setback to the cotton trade which occurred in 1909—when imports dwindled from Rs. 10,168,933 to Rs. 8,645,079—was amply atoned for in 1910-11, the value of such imports rising Rs. 1,350,000 over the previous highwater mark of 1908 and reaching 11½ millions of rupees. The recovery is well distributed over bleached, gray, and printed piece goods from the United Kingdom; dyed piece goods from the United Kingdom, Germany, Belgium, and Holland; and “other” piece goods from the United Kingdom and Germany.

*Grain.*—The quantity of rice cleared for home consumption during the year was 14½ per cent. more than in the previous period, the figures being : 1909-10, 6,354,558 cwt. ; 1910-11, 7,272,839 cwt.

*Horses and Motor Cars.*—The number of motor cars imported during the “ rubber boom ” year was 151, as against 75 in 1909 and 89 in 1908. Out of the 151 imported in 1910, 111 came from Great Britain, 30 from Germany, and 6 from France, but it is doubtful whether these figures accurately represent the real proportions of imports from the actual “ Countries of production.”

The ever-increasing popularity of motoring is reflected in the imports of *petrol*. The following are the figures since 1909 :—1909, 66,208 gallons ; 1910, 136,646 gallons ; 1911 (6 months only), 93,816 gallons.

Despite the number of motor cars imported, *horses* also shared in the prevalent prosperity, the number imported, 796, being more than double the average of the previous nine years (373).

From May 1, 1911, no horse can be imported into Ceylon without production of a certificate of inspection by a qualified veterinary surgeon at the port of shipment. They have also to be inspected before landing by the Municipal Veterinary Inspector.

*Kerosine oil* had a record year in spite of the increase in duty from 25 to 30 cents in the middle of the period. Of 4,798,255 gallons imported in 1910-11, 3,830,127 consisted of bulk oil and the balance case oil. Both kinds shared in the activity of the market.

*Lamps.*—The general rise in the standard of living is strikingly exemplified by the extraordinary increase in the use of imported lamps. While ten years ago the total number imported was only 75,156, last year the number was 219,108, the imports in 1910-11 being 25 per cent. more than in 1909-10. The average value entered at the Customs ranged from about Re. 1.50 for English lamps to 6 cents for small glass kitchen lamps from Japan.

*Metals and Metalware.*—The year's total far exceeds all previous records, and the increase during the year is twice as large as the previous largest increase in the decade, i.e., in 1907.

The most noticeable advances were made by *hardware* (8½ lakhs), *galvanized iron* (nearly 3 lakhs), *barbed wire* (2 lakhs), and *cast steel* (2½ lakhs), but there were also some very remarkable increases among the minor imports, such as *aluminium* (the imports of which were three times as great as the previous maximum in 1901), *copperware* (over 100 per cent.), *bar iron*, *silver plate* and *electro plate*, and *tin plates*. On the other hand, there was a curious decline in *iron drums and tanks* and in *pig lead*, but the latter is balanced by an almost exactly corresponding increase in *tea lead*.

*Manure* imports continue to expand rapidly, increasing 26 per cent. during the year. The total quantity imported in 1910-11, viz., 75,000 tons, is more than five times the quantity imported ten years ago. Fish manure alone now accounts for nearly 20,000 tons, or far more than the total of all manures in 1901. The other manures which contribute mainly to this year's total are castor seed poonac (11,500 tons), ground nut cake (8,750 tons), and rape seed poonac (6,000 tons). Compared with 1909-10 castor seed poonac showed a marked decline, but imports of rape seed poonac were more than quadrupled.

*Opium.*—The importation of *opium*, except by Government, was prohibited from October 1, 1910.

*Silk manufactures of all kinds* show a marked advance of 30 per cent., the value of lace imported being over three times as much as in 1909-10.

*Spirits.*—Despite an increase of Re. 1 a gallon in the duty on spirits, imposed in the middle of the period under review, the imports rose by 18 per cent., from 276,409 gallons in 1909-10 to 326,937 gallons in 1910-11.

The increases in the three spirits that contribute chiefly to the revenue were—

Gin	..	..	..	29 per cent.
Brandy	..	..	..	23 per cent.
Whisky	..	..	..	1½ per cent.

*Sugar.*—The imports of candy and refined sugar showed a substantial increase of 44,816 cwt. (or about 14 per cent.) on the imports of the previous twelve months. Palm and jaggery increased less markedly, while unrefined sugar showed a slight decline.

*Tobacco, Cigars, and Cigarettes.*—The increase of the duty on manufactured tobacco from 40 cents a pound to Re. 1·40 a pound (i.e., an increase of 250 per cent.) sent the imports down with a run. Cigars and cigarettes show an abnormal increase. The figures as compared with last year are :—

		Cigars and Cigarettes. lb.		Manufactured Tobacco. lb.		Total. lb.
1909	..	192,381	..	123,395	..	315,776
1910-11	..	250,786	..	85,947	..	336,773

*Wines.*—The chief feature under this head is the increased consumption of champagne and other sparkling wines—under the influence of a “boom” year. In still wines the chief feature is a decline in claret, balanced by an advance in sherry and port (in wood).

*Woollen Manufactures.*—The increase under this head was even greater than the increases under Silk and Cotton, the nett advance being 62 per cent.

The sub-head “Other,” which is chiefly responsible for this remarkable increase, comprises mainly cloths and stuffs, i.e., trouserings, dress materials, &c.

The following table shows the relative positions of the various countries which export goods to Ceylon (the percentages being percentages of value) :—

Countries.	1908. Per Cent.	1909-10. Per Cent.	1910-11. Per Cent.
British India ..	44·22	42·9	45·78
United Kingdom ..	26·4	26·23	27·23
Straits Settlements ..	8·09	8·62	6·3
Burma ..	2·49	4·67	3·73
Germany ..	2·31	2·8	3·06
Java ..	·95	1·06	1·3
Maldiv Islands ..	1·66	1·67	1·25
Japan ..	1·48	1·24	1·21
Hong Kong ..	1·46	1·47	1·09
United States of America ..	·9	·92	1·05
Holland ..	·89	·55	·74
France ..	·7	·68	·72
Belgium ..	·53	·55	·71
Borneo (excluding British) ..	·73	·7	·71
Austria ..	·91	·64	·64
Siam ..	·82	·56	·63
South Australia ..	·69	·63	·57
Victoria ..	·59	·55	·5
India (excluding British) ..	1·04	·54	·47
Russia in Asia ..	·58	·25	·45
Switzerland ..	·39	·42	·39
Italy ..	·34	·31	·29
Sweden ..	·21	·18	·2
New South Wales ..	·61	·13	·17
Western Australia ..	·33	·34	·11
China (excluding Hong Kong) ..	·13	·17	·09
South America..	·09	·2	·06

If we exclude India, whose pride of place is of course due to the enormous supplies of rice and other food stuffs for the native population, the most striking

feature of the table is the easily maintained pre-eminence of the United Kingdom, in spite of all foreign competition. Her latest position is even better than last year, and she still possesses nine times the trade of the nearest foreign rival. That rival, however (Germany), is steadily advancing, and her place in the table should really be fourth, as 3·72 of the figure for imports from the Straits represents rubber, which is of course an "import" only in name, being soon transhipped again. The only other points in the table that call for comment are the advance of Java from ninth to sixth place in the table (due to her capture of almost all the sugar trade), the steady increase in American imports, the improved position of Belgium, and the decline of Austria. For the most part, however, the various countries maintain their relative positions with little change.

The mother country and Colonies still easily retain their advantage in respect of all the articles, but they have lost some ground in their supplies of *coffee, lace and net, copper nails and wire, galvanized iron, and printing paper*.

*Coffee* in 1906 came practically entirely from India; now South American coffee can be landed in Ceylon at a lower price, and last year represented Rs. 100,000 out of the total value of Rs. 600,000 of the imports of this article.

In *lace and net* Germany is competing fiercely, her supplies representing now 33 per cent. (as against 8 per cent. in 1906) of the total value of our imports. This advance may be attributed to the energy with which this trade is pushed by the numerous German commercial travellers; not only do their prices rule considerably lower than that of the Nottingham article, but German firms will accept orders for small quantities, which the Nottingham manufacturers will not do. English travellers in lace are few, attention being confined for the most part to Manchester goods.

Germany is also responsible for the increased foreign trade in *copper nails and wire and galvanized iron*, but the United Kingdom still sends more than four times as much as all foreign countries, and there being little difference in price, the superior quality of the English article is bound to tell.

The most striking proportional advance by foreign countries is in *printing paper*, the supplies of which from such sources have increased over 100 per cent., while the imports from the United Kingdom have remained stationary. Here it is simply a question of price. The lowest possible class of paper sufficiently meets the general demand, and the foreign market can supply at very cheap rates an article which the English manufacturers either cannot or will not sell.

The United Kingdom and Colonies have in some directions, *e.g.*, in dynamite, tea chests, and iron drums, captured much of the foreign trade. In addition to the vast imports of grain and coal—in which India and the United Kingdom respectively hold the practical monopoly—the United Kingdom or the Colonies supply almost the whole of such important imports as *workshop and tea machinery, tea lead, tin plates and slabs, pig lead, wheat flour, brassware, boots and shoes, bar soap*, and many of the *manures* (blood meal, castor seed poonac, ground nut cake, rape seed poonac, refuse of saltpetre, sulphate of ammonia, and fish manure).

The summary given above discloses what a comparatively small part of our total import trade is taken by foreign countries, and it is a specially satisfactory fact, from the point of view of insular security, that the dominating position of India and the United Kingdom is chiefly based on supplies of food and raw material. It has been noted also that there is no one to touch the United Kingdom in the important sphere of *machinery*.

When, however, we turn to the general run of manufactured articles, the competition of foreign countries is appreciable, their share of the total imports of this class being more than one-sixth. It is interesting to see in what directions the chief foreign countries compete for our custom in manufactured articles.

*Germany*.—While most foreign countries compete in a comparatively limited range of articles, there is hardly a manufactured article which Germany does not send us. It will suffice here to enumerate the following articles, which she supplies in quantities appreciably comparable with those of the largest supplier (generally the United Kingdom):—Lace and net, dyed piece goods, piece goods of mixed materials, silks, woollens, carpets, hardware, barbed wire, *hoop iron*,\* *nails and rivets*, *beads*, *bleaching materials*, motor cars, cement, chinaware, dynamite, *fuse*, gunpowder, fancy articles, glass ("other"), haberdashery, jewellery, lamps, *sewing machines*, oil-making machinery, manures, perfumery, and printing paper.

*America* competes effectively in gray piece goods, hardware, barbed wire, *clocks*, chemists' sundries, *kerosine oil* (case), lubricating oil, sewing machines, and *typewriters*; but one is struck by the limited range of the competition, and the comparative triviality of several of even the few articles supplied.

*Belgium* limits her serious competition to a still smaller range, but the goods are all important:—Dyed piece goods, barbed wire, *drums and tanks*, hoop iron, nails, and *window glass*.

*Holland's* trade with us lies more in the direction of gin and cheese than manufactured articles, but she sends large quantities of dyed cotton piece goods, and also piece goods of mixed material.

*France* is another country which concerns herself more with supplies under the heading "Food and Drink," but her manufacturers compete in apparel made up, mixed material piece goods, silks, and *shot* (in the supply of which she has a practical monopoly).

*Austria*, by her large supplies of bentwood furniture, runs the United Kingdom very close for first place under furniture, and her competition is also felt in hardware, fancy articles, glass ("other"), and writing paper.

*Switzerland* is an easy first in embroidery, and sends us large supplies of dyed yarn and twist and silk broadstuff.

*Sweden* monopolizes the supply of *matches* (with the exception of a small quantity from Austria), and is also an easy first in worked timber, but these are practically the sole articles which she sends us.

*Russia* and *Dutch Borneo* supply us with all our bulk oil, but do not otherwise compete for our trade.

*Japan* holds the first place in three articles, viz., *silk broadstuffs*, *tea chests*, and *carriages and carts* (rickshaws), and she also competes effectively in apparel made up, handkerchiefs, fancy articles, and cotton goods ("other").

### Exports.

Ceylon's chief export products in order of value are as follows:—

				Lakhs of Rupees.	
				1909-10.	1910-11.
Tea	..	..	..	800	841
Rubber	..	..	..	129	245
Coconut oil	..	..	..	168	137
Copra	..	..	..	118	105
Plumbago	..	..	..	95	74
Desiccated coconuts	..	..	..	47	63
Arecanuts	..	..	..	23	28
Cocoa	..	..	..	29	27
Coir fibre	..	..	..	14	18
Coconuts	..	..	..	11	14
Coir yarn	..	..	..	11	12
Citronella oil	..	..	..	12	11
Poonac	..	..	..	12	10
Tobacco	..	..	..	7	8
Cardamoms	..	..	..	8	7

\* Articles in which the country is actually the largest supplier are printed in italics.



Taking the various products of the coconut palm separately, as above, it will be seen that rubber now easily takes second place, and bids fair soon to reach the head of the table. Coconut oil, cocoa, citronella oil, poonac, and cardamoms have each fallen a place; while arecanuts, coconuts, coir yarn, and tobacco have correspondingly improved their position. If, on the other hand, its products be taken together, the coconut palm still retains the second place, with a total of 349 lakhs in 1910-11, as against 369 in 1909-10, the decrease being accounted for by the drop in coconut oil and copra.

The advance under exports is much less marked than under imports, and whereas practically every important import showed a large increase, several of the exports showed a decrease both in quantity and value, while others show a decrease in quantity, though an increase in value. Still, though there was a decrease in the quantity of most of the staple exports, there was an increase in the value of the majority, and except in the case of coir yarn, rope, rubber, citronella oil, poonac, and plumbago, prices ruled better than in 1909-10.

Compared with 1909-10 better prices were obtained for cocoa, coir fibre, coconut oil, copra, and tea; while plumbago and rubber were the only products showing any appreciable decline.

Tea exports just failed to reach the high quantity level of 1909 and 1909-10, but a substantial rise in average price more than neutralized the insignificant drop in quantity. The quantity figures for the last few years exhibit a noteworthy stability:—

				Million of lb. exported.
1907	..	..	..	182
1908	..	..	..	180
1909	..	..	..	192
1909-10	..	..	..	185
1910-11	..	..	..	184

The actual decrease in tea exports amounts to 1,032,575 lb. The following table shows the comparative distribution, 1909-10 and 1910-11:—

#### Principal Markets for Ceylon Tea.

	1909-10.	1910-11.	Increase.	Decrease.
	lb.	lb.	lb.	lb.
I.—United Kingdom	113,274,909	108,356,360	—	4,918,549
II.—British Possessions—				
British India	1,454,711	1,443,561	—	11,150
Canada	7,423,133	7,031,333	—	391,800
Cape Colony	436,101	486,284	50,183	—
Hong Kong	144,962	368,817	223,855	—
Natal	692,685	930,705	238,020	—
Newfoundland	96,922	264,683	167,761	—
New South Wales	9,084,846	8,715,512	—	369,334
New Zealand	4,891,712	4,540,822	—	350,890
Queensland	970,665	993,019	22,354	—
South Australia	1,431,850	1,057,401	—	374,449
Straits Settlements	437,165	518,563	81,398	—
Victoria	6,664,805	6,895,520	230,715	—
West Australia	746,524	701,415	—	45,109
Other British Possessions	593,126	567,411	106,242	131,957
<b>Total British Possessions</b>	<b>35,069,207</b>	<b>34,515,046</b>	<b>1,120,528</b>	<b>1,674,689</b>
			<b>Deduct Increase</b>	<b>1,120,528</b>
			<b>Nett Decrease</b>	<b>554,161</b>

	1909-10.	1910-11.	Increase.	Decrease.
	lb.	lb.	lb.	lb.
<b>III.—Foreign Countries—</b>				
Austria ..	176,096 ..	133,818 ..	— ..	42,278
China (excluding Hong Kong) ..	6,474,130 ..	7,138,735 ..	664,605 ..	—
Egypt ..	287,036 ..	317,820 ..	30,784 ..	—
France ..	819,597 ..	810,036 ..	— ..	9,561
Germany ..	489,118 ..	612,583 ..	123,465 ..	—
Russia in Asia ..	5,435,110 ..	8,428,161 ..	2,993,051 ..	—
Russia in Europe ..	14,373,211 ..	14,921,123 ..	547,912 ..	—
Turkey ..	95,155 ..	150,136 ..	54,981 ..	—
United States ..	7,727,839 ..	7,860,942 ..	133,103 ..	—
Other Foreign Countries ..	716,320 ..	660,393 ..	60,331 ..	116,258
<b>Total Foreign Countries ..</b>	<b>36,593,612</b>	<b>41,033,747</b>	<b>4,608,232</b>	<b>168,097</b>
	<b>Deduct Decrease ..</b>		<b>168,097</b>	
	<b>Nett Increase ..</b>		<b>4,440,135</b>	
<b>Grand Totals ..</b>	<b>184,937,728</b>	<b>183,905,153</b>	<b>5,728,760</b>	<b>6,761,335</b>
			<b>Deduct Increase ..</b>	<b>5,728,760</b>
			<b>Nett Decrease ..</b>	<b>1,032,575</b>

The outstanding feature is the increase in exports to Russia, due to an unprecedented demand for green tea. There was a marked and rapid decline in this market between 1907 and 1909, but the recovery has been even more rapid and complete.

The total exports of *green tea* in 1910-11 were 7,377,909 lb., as against 6,043,093 lb. in 1909.

*Products of the Coconut Palm.*—The total value of the exports under this head was Rs. 36,157,060, as against Rs. 38,445,699 in 1909-10. The three principal products are coconut oil, copra, and desiccated coconuts. The two most important of these show a decline from the figures of recent years, but the third shows a satisfactory advance :—

	Desiccated Coconuts. Cwt.	Copra. Cwt.	Coconut Oil. Cwt.
1907 ..	208,067 ..	385,156 ..	477,996
1908 ..	244,734 ..	768,795 ..	670,121
1909-10 ..	224,665 ..	817,689 ..	647,863
1910-11 ..	264,198 ..	623,934 ..	527,004

In the report for 1909 the prices of Rs. 84 per candy for copra and Rs. 565 per ton for coconut oil were commented on as remarkable. Although both articles show a decline in quantity and in total value during the twelve months from July, 1910, to June, 1911, it may be noted that during the year 1910 copra touched Rs. 93·50 per candy, while coconut oil reached as much as Rs. 605 per ton f.o.b. Though these prices have given place to more normal figures, a great impetus to the coconut planting industry has been given. The minor products, viz., coconuts (actual nuts), coir fibre, coir yarn, and coir rope, had a good year, all showing an increase except coir rope, which showed a small decline. On the whole, the prospects of the industry are bright.

*Rubber.*—Ceylon exported more than twice as much rubber in 1910-11 as in 1909-10, the actual figures being—

	Cwt.
July, 1909, to June, 1910 ..	22,382
July, 1910, to June, 1911 ..	48,465

These figures may be contrasted with an export of only 676 cwt. seven years ago, and about 10,000 cwt. in 1908. The area now under rubber, alone or with other products, is said to be over 200,000 acres. Only ten years ago it was no more than 1,750 acres.

The distribution of the rubber is as follows for the two most recent periods :—

		1909-10. Per Cent.	1910-11. Per Cent.
United Kingdom	.. ..	62·97	53·2
United States of America	.. ..	32·87	38·92
Belgium	.. ..	2·77	5·79
Germany	.. ..	·91	·58
Japan	.. ..	—	·55

The other countries to purchase Ceylon rubber in 1910-11 were Victoria, Canada, Italy, New South Wales, France, Austria, and British India. Japan, New South Wales, France, and British India appeared as new buyers.

The average value entered in 1910-11 was Rs. 4·51 per lb., as against Rs. 5·15 per lb. in 1909-10. In April, 1910, however, the price reached the extraordinary figure of Rs. 9·65 per lb., with results in the share market which have become historic.

The new Medical Aid Ordinance enacted in 1910 provides for an export levy on rubber, similar to that derived from tea. Up to date, however, no duty has been actually imposed.

Commenting on the increasing popularity of plantation rubber at the end of 1911, the Committee of the Planters' Association of Ceylon observe that "Uniformity throughout is looked for as much as anything on the market, and it is of the utmost importance to the future of the industry that badly cured or dried rubber should not be exported. With due attention paid to these essentials, plantation rubber may be expected to increase in popularity with the manufacturer, and thereby, it is anticipated, the increasing output for some years will be fully absorbed by one or other of the various markets. In comparison with fine hard Para, the best sorts of plantation rubber have well held their own on the London market during 1911. It is satisfactory to note that offerings on the local market are increasing rapidly, and that Colombo should soon become as important a distributing centre for rubber as it is for tea."

The following table gives the proportions of Ceylon produce and manufactures taken by the principal countries during the last three years :—

Country.	1908. Per Cent.	1909-10. Per Cent.	1910-11. Per Cent.
United Kingdom	50·04	49·24	47·32
United States of America	8·22	12·62	13·69
Germany	6·43	8·01	9·01
Russia in Europe	5·74	6·01	5·92
British India	4·44	3·19	3·03
Belgium	3·43	2·48	2·63
New South Wales	3·01	2·67	2·56
Russia in Asia	2·18	1·52	2·32
Victoria	2·25	2·08	2·18
Canada	2·67	2·13	2·03
China (excluding Hong Kong)	2·38	1·83	1·98
New Zealand	1·55	1·44	1·32
Austria	1·69	2·02	·69
France	·54	·48	·63
Straits Settlements	·44	·35	·36
Holland	·55	·39	·35
Natal	·23	·25	·34
Queensland	·29	·3	·33
South Australia	·41	·43	·32

There is no very striking change in the position of any country in this table, but exports to Austria have fallen off considerably, and the United Kingdom takes a steadily diminishing percentage, though her gross imports from Ceylon are larger than ever. America and Germany and Asiatic Russia materially improved their percentages during the year.

#### *Alterations in Customs Duties.*

All imports not specially rated or exempted by the Tariff are liable to a Customs duty of  $5\frac{1}{2}$  per cent. *ad valorem*.

The following alterations have been made in the Tariff during the eighteen months :—

The duties have been increased on—

*Spirits*, from Rs. 6 per gallon (proof) to Rs. 7 per gallon.

*Tobacco (manufactured)*, from 40 cents per lb. to Re. 1·40 per lb.

*Tobacco (unmanufactured)*, from 25 cents per lb. to 75 cents per lb.

*Kerosine oil*, from 25 cents per gallon to 30 cents per gallon.

*Matches*, from  $5\frac{1}{2}$  per cent. *ad valorem* to 60 cents per gross boxes.

The duty on *non-safety matches* has been increased to Re. 1 per gross boxes.

A new duty of 3 cents per lb. has been imposed on *coffee*, hitherto imported free.

The duties have been abolished on *scrap iron* and on *wax plates for making gramophone records*.

Tea, cocoa, and coffee are liable to an export duty of 10 cents per cwt., and cinchona to an export duty of 5 cents per cwt. under the Medical Wants Ordinance; and by a recent amendment of that Ordinance such products as rubber, cardamoms, coca, camphor, and pepper may also be similarly taxed. These additional products have not, however, at the time of writing been subjected to any tax.

### (B) MINES, MANUFACTURES, AND FISHERIES.

#### (a) *Pearl Fishery.*

No pearl fishery was held during the period covered by this report, and it is uncertain when the next fishery may be held. The periodical inspections of the pearl banks made by the Company who held the lease showed an absence of oysters or spat. Investigations and research were continued by the Company. The annual rent of Rs. 310,000 was paid to the Government.

#### (b) *The Mineralogical Survey.*

In the spring of 1910 Professor W. R. Dunstan, Director of the Imperial Institute, paid a visit to the Island and personally examined the more important localities indicated by the work of the survey up to date as those in which valuable minerals might be found.

In accordance with the advice of Professor Dunstan it was decided to continue the survey on more practical lines, with a view to the possible commercial exploitation of the minerals found; and Mr. J. S. Coates, a mineralogical surveyor of scientific attainments and practical experience, was appointed Principal Mineralogical Surveyor in the place of the late Mr. J. A. Parsons, with Mr. F. D. Paisley as his Assistant. The survey proceeded under the immediate direction of Professor Dunstan, the duties of the surveyors being mainly to undertake further investigation of the thorium minerals, and to see what results could be obtained by the adoption of more up-to-date methods of working than those hitherto employed.

The work of the survey was principally carried on in the Ratnapura District of the Province of Sabaragamuwa, the results being reported direct to Professor

Dunstan. Unfortunately it has for the moment been brought to a standstill by the death of Mr. Paisley through enteric fever and the departure of Mr. Coates on sick leave after a serious illness of the same disease.

#### (c) *Mining.*

*Plumbago.*—Plumbago provides the only form of mining proper in Ceylon. Approximately 1,000 plumbago mines in all were worked during the eighteen months, giving employment to some 16,000 men. Of these, two only are in European hands. Generally speaking, the methods employed are primitive, though some of the larger mines are adopting more up-to-date appliances. The mining centres are situated in the Southern, Western, Sabaragamuwa, Central, and North-Western Provinces.

There was a decrease of Rs. 13,786 in the royalty recovered on plumbago during 1910-11, and of 55,005 cwt. in the quantity exported. The United States of America, Ceylon's chief customer, took 42 per cent. of the total shipments, as against 49 per cent. in 1909-10. Germany, the next largest buyer, absorbed 27 per cent. of the total, showing an increase of 24 per cent. over her figures for the previous year. The exports to the United Kingdom decreased by 18 per cent., her total representing 17 per cent. of the whole trade for the year. Belgium, the only other country to buy an appreciable quantity, took some 5,000 cwt. more than in the previous year.

The market was dull throughout the year, prices being unfavourable to sellers, owing to the large stocks in the hands of foreign buyers. The decrease in shipments to the United States is believed to have been in part due to the unsettled state of the affairs of the Steel Trust, while on the London market the competition of Korean plumbago has been felt. There was a larger proportionate export of the inferior grades from Ceylon than in 1909, and it is chiefly in this direction that the Colony has to compete with foreign countries. In regard to the superior grades, it is believed that the Korean article cannot compare with the Ceylon mineral; while the competition of India, Bavaria, California, and Canada is confined to the inferior grades.

*Gemming.*—With the exception of moonstones and garnets, gems are not obtained *in situ* in Ceylon, but from gravels deposited by streams and rivers. There are two large moonstone pits in the Kandy District. Other precious stones, such as rubies, cat's-eyes, sapphires, &c., are gemmed chiefly in the Ratnapura District.

#### (d) *Salt.*

The manufacture and collection of salt is a Government monopoly, and is protected by the imposition of a duty of Rs. 3 per cwt. on imported salt. A sum of Rs. 2,351,733·50 was realized by its sale during the eighteen months ended June 30, 1911, the amount credited in 1910 being Rs. 1,530,570·26. The corresponding revenue for the year 1909 was Rs. 1,520,647·95. The period under review was a favourable one for manufacture and collection, excepting at Trincomalee, where manufacture failed entirely. The total yield was 926,803 cwt., of which 759,396 cwt. was gathered in 1910, being the highest total yet recorded for any one year. The quantity secured in 1909 was 293,457 cwt., and in 1908 725,547 cwt.

#### (e) *Manufactures.*

Ceylon is essentially an agricultural country, and its manufactures on any large scale are chiefly confined to the products of agriculture. Out of 1,046 factories in the Island, 863 or 82 per cent. are tea factories, 60 coconut fibre and desiccating, 23 cocoa, and 11 rubber. Particulars of their output are given under "Exports." The preparation of coconut oil, copra, and arrack gives employment to a large number of the inhabitants, and, to a less extent, that of citronella oil and cinnamon.

In the Northern Province cigars are manufactured, but there is increasing competition with cigarettes. The Jaffna cigar, which is small, strong, and extremely cheap, is a favourite with the natives.

Cigars from Dumbara in the Central Province have been manufactured on a small scale to suit the requirements of European taste. But no expansion of the tobacco industry can be expected without improved methods of growing and curing. Experiments in this direction are now being pursued.

The manufacture of tiles and bricks is carried on in all parts of the Island where suitable clay is plentiful. Rs. 2,263 worth of Ceylon manufactures under this head were exported in 1910-11.

The weaving of a coarse kind of cloth in hand looms is carried on in the Eastern, Northern, and Central Provinces. It supplies purely local wants, and the cloth, though strong and of hard wearing quality, is inferior in texture and finish to imported material. Lace-making is carried on in the Western Province.

In other districts baskets, tortoise-shell boxes, and combs are manufactured, and common earthenware for water pans and cooking utensils to meet local wants.

Excellent furniture is made in the Western Province, especially at Moratuwa.

Jewellery of very fine workmanship is made in the Northern Province, but on a very small scale. It is a species of filigree work, prized by the Tamil population of the Island.

The indigenous crafts peculiar to the Kandyan country, *i.e.*, silver and brass work, the making of jewellery, earthenware, and painted pottery, lacquer work, and ivory carving, continue to receive encouragement from the Kandyan Art Association. Specimens of these articles are kept in the Kandyan Art Museum, where they can be purchased.

Brass lamps, betel stands, plates, cooking utensils, and water pots are made in the North-Western and Eastern Provinces and at Negombo in the Western Province.

In the Mannar District of the Northern Province the drying and salting of fish gives employment to a large number of people. In 1910-11 nearly Rs. 500,000 worth of dried fish was exported from the Mannar District.

### (C) AGRICULTURE.

#### *The Agricultural Society.*

The Ceylon Agricultural Society has now a membership of 983.

Through the agency of the "Tropical Agriculturist and Magazine of the Ceylon Agricultural Society," its smaller Sinhalese and Tamil monthly publications, and the dissemination of leaflets, the Society helps to keep the local agriculturist in touch with the progress of agriculture in all parts of the world, particularly in the tropical regions.

A number of small village shows were held during the eighteen months in various parts of the Island.

Demonstrations in the use of improved implements were continued, with the result that there is now a considerable demand for better class ploughs, &c. The dearth of buffaloes for mudding and ploughing owing to the ravages of rinderpest in some parts of the Island has tended to quicken the interest of the paddy cultivator in more modern methods.

The Society has interested itself in the introduction of improved varieties of fruits and vegetables, has conducted experiments in the improvement of tobacco cultivation and curing, and has co-operated with the local agents of the British Cotton Growing Association to encourage the cultivation of cotton.

Good work is being done by a village Co-operative Credit Society and Agricultural Bank in the Central Province, and an Ordinance has recently been enacted to promote the formation of such societies.

### *Position of Agricultural Industries.*

The continued prosperity of the tea, coconut, and rubber industries is sufficiently indicated by the figures already given under the head of "Exports."

The position of cocoa, cardamoms, citronella oil, and cinnamon has continued satisfactory.

The cultivation of cotton and tobacco for export purposes remains still in the experimental stage. That with reasonable capital expenditure and scientific methods of treatment both crops can be made to pay there is little doubt. But so long as the older established products continue to yield such handsome returns the inducement to pioneer in new ventures is not great.

Hitherto the native tobacco plantations of the Northern and Eastern Provinces and the Chilaw and Kandy Districts have contented themselves with supplying the local market, with the exception of a not inconsiderable export of Jaffna tobacco to Travancore. The Travancore authorities having recently imposed a limit on the import of this tobacco there is no room for expansion in this direction, and unless the native cultivator can be induced to set himself seriously to the improvement of the quality of tobacco produced, the prospects of the industry are not bright.

Paddy cultivation remains the principal occupation of the villager, but shows little sign of extension, while the quantity of rice imported for local consumption continues steadily to increase.

During the latter months of 1910 and the first half of 1911 a prolonged drought was experienced in most parts of the Island. In many localities the tanks did not fill, and paddy cultivation was seriously affected. The same cause has in many cases interfered with the realization of the estimated yields of the staple export products.

The Botanic Gardens at Peradeniya have continued to render valuable assistance to the cultivator in all branches of agriculture, both directly and through the instrumentality of the Agricultural Society. From 1912 the staff of the Gardens will be merged in a regular Agricultural Department, the organization of which has received the sanction of the Secretary of State. The establishment of a School of Agriculture and the modification of the present system of education in vernacular schools with a view to the introduction of a training in agricultural pursuits await the inauguration of the new Department. Meanwhile arrangements have been made for selected students from Ceylon to undergo a course of agricultural training at the Agricultural College at Poona, and the Government is offering scholarships for students who take up the course.

### *Diseases of Animals.*

**Cattle.**—The principal diseases affecting cattle are rinderpest and foot-and-mouth disease. The former was prevalent all over the Island. Compared with 1908-9, when the disease was very severe, there has been a steady decline in the number of cases and the mortality. During the period January 1, 1910, to June 30, 1911, there were 20,188 cases and 11,902 deaths, as against 78,458 cases and 70,940 deaths during the twelve months of 1909.

Foot-and-mouth disease is of a mild type. During the eighteen months there were 6,975 cases and 227 deaths. Other infectious diseases of cattle are uncommon.

**Horses.**—Horses are remarkably free from infectious disease. The only disease causing serious loss is osteoporosis.

Stringent measures are taken to guard against the introduction of disease by importation. Cattle, which are principally imported from India, are detained and examined at Tuticorin, the South Indian port of shipment, and are quarantined for ten days on arrival at Colombo. Horses, principally imported from Australia, must have a certificate of good health at the time of shipment, and on arrival are inspected before they can be landed.

*Dogs.*—During the eighteen months there were 110 cases of rabies, of which 97 were positive. Stringent measures with reference to muzzling and destruction are in force, and the landing of dogs from India, China, Japan, Java, the Straits Settlements, or the Federated Malay States is prohibited.

#### (D) LAND GRANTS AND GENERAL VALUE OF LAND.

##### *Land Settlement.*

The Land Settlement Department, which is concerned with the settlement of title to land as between the Crown and the subject, has, within the eighteen months under review, maintained the same steady progress as was recorded during the preceding year.

An area of a little over 200,000 acres has been settled, the larger portion of this outside the Waste Lands Ordinance. The striking features of the work have been the peaceful nature of the settlements and the rapid development of the country which has followed upon the establishment of secure titles. The confidence of the large majority of the people in the fairness of the settlements offered has now been secured, and advantage is eagerly taken of the increased facilities for acquiring land from the Crown.

The constantly increasing work of the Department necessitated a further strengthening of the staff and the entire reorganization of the office, both of which have been successfully accomplished.

The total area settled under the Waste Lands Ordinance has now reached about a million and a half acres.

##### *Survey.*

The operations of the Survey Department for the period under review comprised 68,365 acres of block survey, the majority of the staff being engaged on settlement surveys in the block survey area.

The number of block survey preliminary plans issued was 397, containing over 14,000 lots and covering an area of 152,003 acres. Final village plans to the number of 476 were issued to Government Agents. The total area now covered by block surveys is 2,252,408 acres.

1,858 preliminary plans for 28,097 acres in 8,486 lots were forwarded to the Government Agents during the eighteen months. The total area covered by final village plans in the hands of the Government Agents now stands at 358,342 acres contained in 10,394 lots, or 828 final village plans.

There have been 99 applications to purchase Crown land for rubber cultivation dealt with during the eighteen months, totalling 5,840 acres, most of which lie in the Western and Sabaragamuwa Provinces. This is an increase of 63 applications, or 4,600 acres, over the previous eighteen months.

Surveys have been carried out in connection with the Mannar and Chilaw Railways, the Bambalapitiya road, the Welimada-Bandarawela road, and the Kukulu Korale-Ratnapura road.

Town surveys, water-rate surveys, and irrigation surveys have also been carried out.

The Landmarks Ordinance has been in force during the period under review, and all lands sold are now permanently demarcated.

##### *Land Sales.*

Except in special cases, the alienation of Crown land in Ceylon is effected by the sale of the freehold at public auction. There is no general system of leaseholds. Where occupiers can prove prescriptive possession against the Crown, certificates of quiet possession are issued; and where the occupation has been for less than the prescriptive period, settlements may be effected on special terms.



The total extent of Crown land alienated during the eighteen months of 1910-11 was 46,042 acres, and the amount realized, including fees, Rs. 1,937,950. Taking a two-thirds proportion, the extent alienated during twelve months of the period was, roughly, 30,694 acres, and the amount realized Rs. 1,291,966.

The figures for the last six years are :—

			Extent alienated. Acres.		Amount realized. Rs.
1905	..	..	34,383	..	1,062,346
1906	..	..	58,958	..	2,613,122
1907	..	..	41,904	..	1,734,138
1908	..	..	25,080	..	907,630
1909	..	..	28,828	..	991,866
1910-11 (12 months)	..	..	30,694	..	1,291,966

The average price paid per acre in 1910-11 ranged from Rs. 17·50 in the Mannar District of the Northern Province to Rs. 153 in the Western Province. In the principal coconut, rubber, and tea districts of the Low-country, other than the Western Province, the average prices were : Batticaloa Rs. 24, Jaffna Rs. 42, Chilaw Rs. 44, Matara Rs. 57, Galle Rs. 75, and Kurunegala Rs. 98. In the tea and rubber districts of the Kandyan provinces average prices ranged from Rs. 27 in Uva to Rs. 42 in Ratnapura and Kegalla, and from Rs. 43 to Rs. 46 in the Central Province.

Omitting sales and settlements effected by the Land Settlement Department, the area alienated by the Government Agents during the eighteen months included an extent of over 4,700 acres in the Western Province, 3,200 in the Galle District, and a similar extent in the Province of Uva, 2,800 acres in the North-Western Province, and 2,500 in the Kegalla District.

A price of Rs. 8,589 per acre was realized for some building sites in Colombo, and Rs. 6,400 per acre for land in Jaffna town. One land in the Galle District was sold with gemming rights at the rate of Rs. 12,698 per acre.

#### (E) SHIPPING.

The total number of all vessels (including warships) which entered the ports of the Island in 1910-11 was 4,401, with a tonnage of 9,314,052 tons, showing an increase of 550 vessels and 661,467 tons as compared with 1909.

The following table gives the total number and nett tonnage of shipping entered and cleared at all ports in Ceylon during the years 1909 and 1910-11 :—

1909.								
Entered.								
Cleared.								
No. Tons. No. Tons.								
Merchant vessels (with cargo and in ballast)	..	2,257	..	6,878,124	..	2,240	..	6,870,364
Merchant vessels (called to coal)	..	563	..	1,500,098	..	562	..	1,497,832
Native sailing vessels	..	976	..	129,820	..	1,038	..	135,199
Warships	..	55	..	144,543	..	55	..	144,543
Total		..	3,851	8,652,585	..	3,895	8,647,938	

1910-11.								
Merchant vessels (with cargo and in ballast)	..	2,524	..	7,421,291	..	2,509	..	7,423,749
Merchant vessels (called to coal)	..	597	..	1,613,350	..	597	..	1,613,350
Native sailing vessels	..	1,226	..	102,142	..	1,185	..	91,263
Warships	..	54	..	177,269	..	54	..	177,269
Total		..	4,401	9,314,052	..	4,345	9,305,631	

Omitting warships and vessels calling to coal, the following tables give the distribution according to nationality, inwards and outwards, during 1910-11 :—

Entered.

Nationality.	With Cargo.		In Ballast.		Total.	
	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.
British ..	1,325 ..	3,568,838 ..	407 ..	1,221,244 ..	1,732 ..	4,790,082
Colonial ..	889 ..	77,869 ..	199 ..	9,820 ..	1,088 ..	87,689
Maldivian ..	122 ..	12,930 ..	16 ..	1,523 ..	138 ..	14,453
Austrian ..	58 ..	189,682 ..	7 ..	21,667 ..	65 ..	211,349
French ..	76 ..	236,669 ..	60 ..	201,731 ..	136 ..	438,400
German ..	183 ..	713,771 ..	55 ..	211,225 ..	238 ..	924,996
Japanese ..	87 ..	366,484 ..	15 ..	54,689 ..	102 ..	421,173
Russian ..	— ..	— ..	67 ..	164,710 ..	67 ..	164,710
Danish ..	6 ..	12,898 ..	1 ..	3,613 ..	7 ..	16,511
Spanish ..	13 ..	29,986 ..	13 ..	30,204 ..	26 ..	60,190
Norwegian ..	25 ..	34,522 ..	— ..	— ..	25 ..	34,522
Italian ..	40 ..	106,861 ..	— ..	— ..	40 ..	106,861
Dutch ..	4 ..	8,982 ..	78 ..	234,590 ..	82 ..	243,572
Siamese ..	4 ..	8,925 ..	— ..	— ..	4 ..	8,925
<b>Total ..</b>	<b>2,832</b>	<b>5,368,417</b>	<b>918</b>	<b>2,155,016</b>	<b>3,750</b>	<b>7,523,433</b>

Cleared.

Nationality.	With Cargo.		In Ballast.		Total.	
	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.
British ..	974 ..	2,912,608 ..	746 ..	1,889,455 ..	1,720 ..	4,802,063
Colonial ..	430 ..	31,187 ..	611 ..	44,584 ..	1,041 ..	75,771
Maldivian ..	61 ..	6,980 ..	83 ..	8,503 ..	144 ..	15,492
Austrian ..	31 ..	111,508 ..	34 ..	99,841 ..	65 ..	211,349
French ..	81 ..	253,306 ..	55 ..	185,094 ..	136 ..	438,400
German ..	184 ..	724,029 ..	53 ..	196,120 ..	237 ..	920,149
Japanese ..	81 ..	336,619 ..	21 ..	84,549 ..	102 ..	421,168
Russian ..	58 ..	141,379 ..	9 ..	23,331 ..	67 ..	164,710
Danish ..	5 ..	11,717 ..	1 ..	2,397 ..	6 ..	14,114
Spanish ..	23 ..	52,866 ..	3 ..	7,324 ..	26 ..	60,190
Norwegian ..	1 ..	1,672 ..	23 ..	30,576 ..	24 ..	32,248
Italian ..	25 ..	65,314 ..	15 ..	41,547 ..	40 ..	106,861
Dutch ..	8 ..	24,705 ..	74 ..	218,867 ..	82 ..	243,572
Siamese ..	3 ..	6,691 ..	1 ..	2,234 ..	4 ..	8,925
<b>Total ..</b>	<b>1,965</b>	<b>4,680,590</b>	<b>1,729</b>	<b>2,834,422</b>	<b>3,694</b>	<b>7,515,012</b>

Taking the figures inwards, we get the following comparative distribution according to nationality for 1909 and 1910-11 :—

	1909.		1910-11.	
	No.	Tons.	No.	Tons.
British ..	1,553 ..	4,506,996 ..	1,732 ..	4,790,082
British Colonial ..	867 ..	118,071 ..	1,088 ..	87,689
<b>Total British Ships ..</b>	<b>2,420</b>	<b>4,625,067</b>	<b>2,820</b>	<b>4,877,771</b>
German ..	206 ..	814,455 ..	238 ..	924,996
Maldivian ..	109 ..	11,749 ..	138 ..	14,453
French ..	142 ..	466,301 ..	136 ..	438,400
Japanese ..	109 ..	423,706 ..	102 ..	421,173
Dutch ..	43 ..	127,412 ..	82 ..	243,572
Russian ..	42 ..	112,489 ..	67 ..	164,710
Austrian ..	57 ..	192,335 ..	65 ..	211,349
Italian ..	35 ..	95,902 ..	40 ..	106,861
Spanish ..	25 ..	60,323 ..	26 ..	60,190
Norwegian ..	23 ..	21,801 ..	25 ..	34,522
Danish ..	12 ..	33,759 ..	7 ..	16,511
Siamese ..	5 ..	11,157 ..	4 ..	8,925
Swedish ..	5 ..	11,488 ..	— ..	—
<b>Total Foreign Ships ..</b>	<b>813</b>	<b>2,382,877</b>	<b>930</b>	<b>2,645,662</b>

The only points calling for comment are the enhanced predominance of British shipping and the striking increase in the number of Dutch vessels calling, the fine new steamers of the Royal Dutch Mail forming a feature of the year.

So far as concerns Colombo, the year 1910-11 surpassed all records. The figures below give the number and nett tonnage of British and foreign vessels entering the port during each of the past five years :—

			No.		Tons.
1906	..	..	3,092	..	7,204,027
1907	..	..	3,065	..	7,278,719
1908	..	..	3,005	..	7,525,824
1909	..	..	2,983	..	8,091,423
1910-11..	..	..	3,253	..	8,701,097

À propos of these figures, the Principal Collector of Customs makes the following comment :—

“ Questions are often raised as to the relative position of the world's great ports. The following figures are taken from the authoritative ‘ Statistical Abstracts ’ published by the British Government. The figures for the Empire ports (printed in italics) are for 1909 ; those for foreign ports are for 1908, these being the latest years for which statistics are available at the time of writing. It will perhaps surprise many people to find that in point of tonnage of vessels calling, Colombo is third in the British Empire and seventh in the whole world. This latter place, it may be remarked, would not be affected if the figure for even 1908 were taken (7,525,824 tons). Her figure for 1910-11, as we have seen above, is 8,701,097 tons :—

Port.				Total Tonnage of Steam and Sailing Vessels entered (1909).
1	New York	..	..	12,154,780*
2	<i>London</i>	..	..	11,605,698
3	Antwerp	..	..	11,005,761*
4	Hamburg	..	..	10,944,909*
5	<i>Hong Kong</i>	..	..	10,085,595
6	Rotterdam	..	..	8,600,496*
7	<b>Colombo</b>	..	..	8,091,423
8	<i>Liverpool</i>	..	..	7,747,994
9	Marseilles	..	..	7,187,638*
10	<i>Singapore</i>	..	..	7,045,193
11	Monte Video	..	..	6,936,983*
12	<i>Cardiff</i>	..	..	5,771,476*

\* For 1908.

### III.—LEGISLATION.

Among the new Ordinances passed during the period of eighteen months from January 1, 1910, to June 30, 1911, were :—

No. 1 of 1910.—“ An Ordinance to amend ‘ The Criminal Procedure Code, 1898.’ ” The principal object of the Ordinance was to provide for the more equal incidence of jury service—the system of drawing jurors was re-modelled, and provision made for the exemption whenever possible of such jurors as had served within the previous twelve months.

No. 3 of 1910.—“ An Ordinance to amend ‘ The Destitute Immigrants Regulation Ordinance, 1907.’ ” The Ordinance was designed further to discourage stowaways from coming to Ceylon by increasing the penalty to which they are liable from one month to six months. Provision was also made

to enable the master or agent of a vessel by which a stowaway is imported to free himself from liability for the stowaway's maintenance by providing him with a passage to some place where he can be lawfully landed.

No. 5 of 1910.—“The Opium Ordinance, 1910.” This Ordinance placed the importation, sale, and distribution of opium under the direct control of Government with a view to restricting the consumption of the drug.

No. 6 of 1910.—“The Municipal Councils Ordinance.” This Ordinance consolidates the Ordinances relating to Municipalities. It also introduces certain amendments relating to elections. The list of voters is made the only evidence of the right to vote; the system of voting by ballot is introduced; and the franchise is enlarged by the addition of boarders in hotels, clubs, or boarding houses, and of joint stock companies, subject to certain qualifications.

No. 9 of 1910.—“The Customs (Amendment) Ordinance, 1910.” This Ordinance was designed to legalize the practice of charging double rent when goods are not removed from the warehouse within three days of the date of landing, for every day or part of a day after the expiration of this period.

No. 10 of 1910.—“The Penal Code (Amendment) Ordinance, 1910.” The section of the Penal Code which provides that the sentence of death shall not be passed on a person under the age of sixteen was amended, so as to give the court discretionary power in determining the age in the absence of undeniable evidence.

No. 13 of 1910.—“The Legislative Council Ordinance, 1910.” This Ordinance gives effect to Royal Instructions for the admission of certain elected members to seats in the Legislative Council.

No. 1 of 1911.—“The Jaffna Matrimonial Rights and Inheritance Ordinance, 1911.” This Ordinance revised and codified and in certain respects precised the law relating to the matrimonial right and inheritance of those Tamils who are governed by the Tesawalamai.

No. 7 of 1911.—“The Co-operative Credit Societies Ordinance, 1911.” The object of the Ordinance is to facilitate the organization and registration of co-operative credit societies among agriculturists, artisans, and persons of limited means.

No. 8 of 1911.—“The Ceylon Incorporated Law Societies Ordinance, 1911.” The Ordinance establishes an Incorporated Law Society for the purpose of protecting the interests of that branch of the legal profession which is composed of proctors, and for the enforcement of discipline among them and the observance by them of the rules of professional etiquette.

No. 11 of 1911.—“The Life Insurance Companies Ordinance, 1911.” The object of the Ordinance is to compel life insurance companies doing business in Ceylon to give security for the due fulfilment of their obligations with policy holders, and to provide for the better regulation of the business of such companies.

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#### IV.—EDUCATION.

It is not possible to draw the same clear line between elementary and secondary education in Ceylon as can be drawn in other countries. The matter is complicated by the fact that English is a foreign language to all but a small fraction of the population. The Europeans, Burghers, and Eurasians together form less than 1 per cent. of the population; the Sinhalese form 66 per cent. of the total; the Tamils and Tamil-speaking Moors 32 per cent. The result is that most of the schools in which English is taught are teaching a language which is foreign to the great majority of their pupils, and the distinction between elementary and secondary education is replaced by the distinction between vernacular and English schools. The vernacular schools really constitute the elementary education of the country.

## (A) VERNACULAR EDUCATION.

The following table shows the numerical progress for the last six years in the case of vernacular schools :—

Year.	Number of Government		Attendance.		Number of Aided		Attendance.	
	Schools.	Boys.	Girls.		Schools.	Boys.	Girls.	
1905 ..	529 ..	52,375 ..	12,829 ..		1,386 ..	85,436 ..	44,144 ..	
1906 ..	566 ..	54,249 ..	13,827 ..		1,429 ..	90,389 ..	44,599 ..	
1907 ..	592 ..	55,624 ..	14,372 ..		1,456 ..	88,707 ..	48,518 ..	
1908 ..	624 ..	59,756 ..	15,634 ..		1,574 ..	95,467 ..	53,646 ..	
1909 ..	656 ..	63,862 ..	17,189 ..		1,652 ..	102,598 ..	53,884 ..	
1910 ..	734 ..	71,148 ..	19,761 ..		1,699 ..	111,191 ..	59,356 ..	

From this it appears that there were in 1910 altogether 2,433 Government and grant-in-aid vernacular schools, attended by 182,339 boys and 79,117 girls. These figures show an increase of 125 schools and 23,923 children over the corresponding figures for 1909.

*Progress of the Decade.*—It is of interest to note the progress in education, from a numerical standpoint, made since the Census of 1901 was taken. The number of vernacular schools in 1901 was 1,719, as against 2,433 at the end of 1910, with an attendance of 157,232 pupils, as against 261,456. As shown below there were at the end of 1910 236 English and Anglo-Vernacular schools, with an attendance of 38,164 pupils. The figures for 1901 were 191 English and Anglo-Vernacular schools, with 26,029 pupils.

It will thus be seen that the total number of those under instruction at Government and aided schools of all descriptions has risen from 183,261 in 1901 to 299,620 in 1911, or an increase of about 63 per cent. The total population of the country has during the same period increased by only about 15 per cent. It may be noted that in the previous decade, 1891 to 1901, the figures increased from 124,827 to 183,261, an increase of approximately 47 per cent.

*Unaided Schools.*—Besides the children attending Government and aided schools, 36,754 children were reported to be receiving instruction in 1,546 unaided schools, almost all of them vernacular. The figures furnished by such schools cannot, however, be relied upon, and the education is often of very little value.

*Cost of Vernacular Education.*—The total sum spent by Government on vernacular education during the eighteen months, January, 1910, to June, 1911, was Rs. 1,274,613·98, of which Rs. 520,912·09 was expended on Government schools and Rs. 753,701·89 on aided schools. For twelve months the cost to Government of the education of each pupil in a Government vernacular school was Rs. 3·82 or 5s. 1d., and the average grant per head of each pupil in grant-in-aid schools was Rs. 3·16 or 4s. 2½d.

*Rural Schools Ordinance.*—This Ordinance is now in force in all districts, except Jaffna and Mullaitivu in the Northern Province. Since it was brought into force in 1908 110 new Government schools have been started.

*Town Schools Ordinance.*—The Local Boards of Kegalla and Hambantota and a portion of the Municipality of Kandy are the only places in which this Ordinance is at work. No progress can be expected under this Ordinance till it is made compulsory in its operation.

*Estate Schools.*—As regards aided schools on the tea and other estates, the figures show progress. At the end of 1910 there were 227 aided estate schools, as against 185 at the end of 1909 and 162 at the end of 1908. The number of estate schools actually examined for grant was 199, as compared with 164 in 1909.

As in recent years, a form was circulated to collect information from superintendents of estates. Returns were received from 853 estates, on which the number of resident children between the ages of 6 and 10 was 24,796, of whom 14,964 were boys and 9,832 were girls. The number who attended school was 11,635, of whom 9,551 were boys and 2,084 were girls.

## (B) ENGLISH SCHOOLS.

In 1910 there were 236 English and Anglo-Vernacular schools attended by 38,164 pupils, of whom 31,131 were boys and 7,033 girls. As compared with 1909 the number of schools is unchanged, and there has been an increase of 1,750 pupils. In the majority of these schools the work is confined to the schedules of the Educational Code, but there are many in which the upper classes are prepared for the Cambridge Examinations, Senior and Junior, and a few in which the work of the most advanced students reaches a higher level.

The following were the results of the Cambridge Local Examinations, for which 1,201 candidates presented themselves in 1910, viz., 514 for the Senior and 687 for the Junior :—

	Candidates.		Honours.		Passes.	
	Boys.	Girls.	Boys.	Girls.	Boys.	Girls.
Senior ..	470	44	27	4	225	23
Junior ..	568	119	26	4	323	62

The following were the results of the London Examinations held in 1910 :—

	Candidates.	Passes.
Matriculation ..	47	14
Intermediate in Arts ..	25	4
Intermediate in Science ..	6	2
Intermediate in Science (Economic) ..	1	0
Bachelor of Arts ..	2	0

*The Royal College.*—The only Government school in which higher education is given is the Royal College, at which in 1910 there were 234 pupils, with an average attendance of 211. The pupils in the upper part of the College are prepared for the Cambridge Local Examinations and the Examinations of the London University as far as the Intermediate in Arts and Science. The staff consists of seventeen masters, of whom four hold English University degrees. The gross cost to Government for eighteen months, January, 1910, to June, 1911, was Rs. 79,204, of which a sum of Rs. 34,900 was recovered in school fees.

New buildings for the College at a cost of about Rs. 250,000 are in course of construction.

The policy of gradually abandoning the lower school was started by dropping the First Form at the beginning of 1909. At the same time fees have been raised in the upper school from Rs. 10 to Rs. 15, and in the lower school from Rs. 5 to Rs. 7.50. The result of these two changes has been a decrease in numbers, confined, however, to the lower school.

*Non-Government Institutions.*—The other institutions in which anything that can fairly be described as higher education is given are registered as aided schools under the Code, with one exception, viz., the Church Missionary Society's Ladies' College in Colombo.

The following schools have presented candidates either for the University Scholarship or for the London Intermediate Examination :—

St. Thomas's College ..	Colombo ..	Church of England
St. Joseph's College ..	do. ..	Roman Catholic
St. Benedict's Institute ..	do. ..	do.
Wesley College ..	do. ..	Wesleyan
Ananda College ..	do. ..	Buddhist
Trinity College ..	Kandy ..	Church of England
Richmond College ..	Galle ..	Wesleyan
Prince of Wales's College ..	Moratuwa ..	Private
St. John's College ..	Panadure ..	Private

*Government assistance.*—The encouragement offered by Government takes two forms : (a) grants ; (b) scholarships.

(a) In most of the aided English schools grants are paid on the results of examinations in the ordinary schedules of the Code, supplemented by specific

subjects. But in some of the better schools the system has been replaced by one under which the greater part of the grant is paid on the average attendance. Liberal grants are also paid for every pupil who obtains honours in the Cambridge Local Examinations, or who passes the London University Matriculation Examination or Intermediate Examination in Arts. The total sum expended in grants to English schools was Rs. 235,628 for eighteen months, January, 1910, to June, 1911.

(b) On the results of the Intermediate Examinations of the University of London two Government scholarships are given annually, one on the Examination in Arts, the other on the Examination in Science. They are tenable for three years, and are of the value of £200 each per annum, with free passage to England and £50 outfit allowance. The holders of these scholarships are at liberty to join any British University, or to enter upon a course of studies at any recognized engineering institution in the United Kingdom. Students studying medicine are allowed a scholarship for four years. One scholarship of Rs. 240 per annum for three years is awarded annually to girls on the results of the Cambridge Senior Local Examination. On the results of the Cambridge Junior Local Examination one scholarship of Rs. 240 per annum for three years and two of Rs. 120 per annum for three years are awarded annually to boys, and two scholarships of Rs. 120 per annum for three years are awarded annually to girls. The total sum expended in scholarships in 1910 was Rs. 39,000.

#### (c) TRAINING OF TEACHERS.

The Government Training College consists of five departments: English, Anglo-Vernacular, Sinhalese Men, Sinhalese Women, and Tamil Men. The English department is intended specially to meet the wants of aided English schools; in the Anglo-Vernacular and Vernacular departments students are trained for work in Government schools. The number of students in training at the beginning of 1911 was as follows:—English 23, Anglo-Vernacular 5, Sinhalese Men 48, Sinhalese Women 20, Tamil Men 12.

Four schools are carried on in connection with the Training College, and on the same premises, viz., three boys' schools, English, Anglo-Vernacular Sinhalese, and Anglo-Vernacular Tamil, and one girls' school, Vernacular Sinhalese.

The total expenditure on the Government Training College for the eighteen months, January, 1910, to June, 1911, was Rs. 67,896, of which sum Rs. 11,941 was recovered in school fees.

Besides the Government Training College, there are twenty Vernacular Training Schools, which received yearly grants amounting to Rs. 17,275.

#### (d) TECHNICAL, INDUSTRIAL, AND AGRICULTURAL EDUCATION.

*The Government Technical Schools.*—There is now no general provision for higher technical education in Ceylon. The civil engineering classes at the Technical College were finally brought to an end in the early part of 1910. A little later the classes in surveying were taken over by the Survey Department, which now trains its own recruits. The title of the institution was changed to "Technical Schools," and the work was confined to the preparation of candidates for the lower branches of the Railway and Postal Departments, and to the classes in chemistry and physics, which are held in the science laboratories for medical and other students.

At the same time the training of candidates for the Public Works Department in civil engineering was abandoned, and in its place Government offers three scholarships to enable students to take the course of the Engineer Class at the Madras Engineering College, with a view to their ultimate appointment to posts in that department. These scholarships entitle their holders to a subsistence

allowance of Rs. 50 per mensem and an outfit and travelling allowance at the rate of Rs. 300 per annum for three years. The fees also are paid by Government. Those students who pass the College final examination at the end of the three years' course will receive the same subsistence allowance for an additional year, during which they will be employed on works in India. They will further receive the same travelling allowances as are drawn by Indian students under the same circumstances.

For students desirous of entering the Irrigation Department three scholarships are offered, to be held in the Upper Subordinate Class in Engineering at the same institution. These scholarships carry with them a subsistence allowance of Rs. 30 per mensem and an outfit and travelling allowance at the rate of Rs. 200 per annum for three years, with a further year's employment on works in India to those students who pass the College final examination at the end of the three years' course.

In the year 1910 there were 137 students at the Technical Schools. The cost of the institution for the eighteen months, January, 1910, to June, 1911, was Rs. 74,231, of which Rs. 6,061 were recovered in fees and by the sale of stationery, instruments, &c.

*Industrial Schools.*—There are no Government industrial schools, but carpentry schools have been attached to five Government schools in the Kandyan Provinces. In 1910 the aided industrial schools, which are 36 in number, received grants amounting to Rs. 21,790. The number of pupils was 5,497, and the trades taught were dressmaking, carpentry, printing, bookbinding, shoemaking, tailoring, blacksmith's work, lace-making, embroidery, gardening, and masonry.

The most important of these schools is the Maggona Certified Industrial School, which is utilized by Government as a reformatory, and carried on by the Roman Catholic Mission. This institution has an estate of about 300 acres and excellent buildings, to the cost of which Government has contributed. At the end of 1910 the number of juvenile offenders receiving instruction in it was 233. The trades taught were carpentry, ironwork, masonry, gardening and estate work, bookbinding, and tailoring. An allowance is paid by the Government for the maintenance of each juvenile offender. The total cost of the institution to Government in 1910 was Rs. 32,417.

*Agricultural Instruction.*—In Ceylon, where 88 per cent. of the population is rural, the technical and industrial education required for the main part of the population is one which will fit them for rural and agricultural life. An attempt is already being made to supply this by the scheme for school gardens, which is conducted in connection with the Government schools. There are now 229 Government schools in which gardens are being carried on under the scheme. The seeds and implements are supplied by the Royal Botanic Gardens, and the gardens are visited as often as possible by the Superintendent of School Gardens and his Assistants. The work is encouraged by money prizes for the most successful school in each district.

It is hoped at no distant date to establish a central school of agriculture, and at the same time to modify the training in the vernacular schools in the direction of imparting elementary instruction in agricultural subjects. The working out of these proposals awaits the institution of the new Agricultural Department. Meanwhile arrangements have been made for the training of selected students from Ceylon at the Agricultural College at Poona, and scholarships will be given by Government to assist such students in the pursuit of their studies.

*Needlework in Girls' Schools.*—This subject has received much attention since the appointment of the Inspectress of Needlework in 1904. The Inspectress visits personally as many schools as she can, and marks the work done at all girls' and mixed schools throughout the Island. This has led to a marked improvement both in plain needlework and in the lace and embroidery done in industrial schools.



## (E) PROPOSED EDUCATIONAL REFORMS.

The question of a revision of the methods of secondary and higher education now in force has recently come prominently before Government and the public, and in June, 1911, an extra-departmental committee was appointed to inquire into the subject generally. Its report is expected to cover, amongst other questions, those of instruction in the vernacular languages, in the classical and modern languages of Europe, in science, commercial education, and manual training. The Committee will consider also the question of University education.

## V.—GOVERNMENT INSTITUTIONS.

## (A) HOSPITALS.

There are 74 Government hospitals fully equipped with the most modern hospital furniture and surgical appliances. The number of beds in the hospitals ranges from 30 to 425. The new outpatients' department of the General Hospital, Colombo, will be completed shortly. In addition to the hospitals, there are 413 outdoor Government dispensaries, and 256 estate dispensaries supported by the planters, who get their drugs free up to a value of 50 cents a cooly.

## (B) MEDICAL INSTITUTIONS.

The Medical College is a flourishing institution, with 161 medical and 82 apothecary students; these numbers showing an increase of 14 and 48 as compared with 1909. The full course of training for medical students is five years; a diploma in medicine, surgery, and midwifery (which can be registered in the United Kingdom) is granted to successful students. There are a Bacteriological Institute, with a small clinic for tropical medicine attached; a laboratory for the Government Analyst, containing the most modern chemical apparatus; an ophthalmic hospital; a lying-in home; a women's hospital; a children's hospital; and special hospitals for the police and convicts.

## (C) ASYLUMS.

The Lunatic Asylum is situated in Colombo, and is the only one in the Island. There are 649 inmates.

The Leper Asylum is situated about 6 miles from Colombo, and contains 376 patients. A small establishment for lepers exists in the Eastern Province; a large leper settlement is to be founded there shortly.

In association with Government, a Home for Incurables (containing 80 beds) is worked by a Committee of Government officials and representatives of the public.

## (D) POOR HOUSES.

There are no poor houses in Ceylon. In Colombo and some other towns there are Friend-in-Need Societies for the relief of distress, and these are subsidized by Government, the Colombo subsidy being Rs. 12,000 per annum. In addition to this, every Government Agent and Assistant Government Agent has an annual vote for "Allowances to Paupers"; the votes vary from Rs. 10,000 in the Colombo District to Rs. 340 in the Nuwara Eliya District; the maximum allowance is Rs. 5 a month.

## (E) REFORMATORIES.

There are no Government reformatories in Ceylon, but by an arrangement with the Roman Catholic Mission the Maggona Industrial School is used as a reformatory for youthful offenders (*vide* IV. (D) Technical, Industrial, and Agricultural Education).

## (F) SAVINGS BANKS.

There are two Government institutions, and the business of both showed a satisfactory working in 1910-11.

*Ceylon Savings Bank.*—The Ceylon Savings Bank had a sum of Rs. 4,852,262 to the credit of 36,462 depositors on June 30, 1911, as against Rs. 4,620,801 to the credit of 34,884 depositors on December 31, 1909.

Ten years ago, viz., on December 31, 1901, there were 27,694 depositors, with a sum of Rs. 3,976,660 to their credit. The figures thus show an increase in the number of depositors of 8,768 or 31 per cent., and of Rs. 875,602 or 22 per cent. in the amount to their credit, as against an increase of 15 per cent. in the total population of the Island during the decade.

The number of depositors at date represents approximately one in every 112 of the population.

The amount of the bank's invested funds on June 30, 1911, was Rs. 5,322,185. Interest is allowed on deposits at the rate of 3 per cent. on sums of Rs. 1,000 and over, and 4 per cent. on sums under Rs. 1,000.

*Post Office Savings Bank.*—At the end of 1910 there was a sum of Rs. 2,873,432 to the credit of 85,954 depositors, an increase of Rs. 425,849 and 6,250 depositors over 1909.

The number of branch offices is now 168, as against 149 in 1901, in which year there was a sum of Rs. 1,315,469 to the credit of 54,426 depositors. There has thus been an increase during the decade of Rs. 1,557,963 or 118 per cent. in the amount deposited, while the number of depositors has increased by 31,528 or 58 per cent., there being now one depositor in the Post Office Savings Bank in every 47 of the population.

## VI.—JUDICIAL STATISTICS.

## (A) POLICE.

The authorized strength of the Police on June 30, 1911, was 1 Inspector-General, 6 Superintendents of Police, 15 Assistant Superintendents of Police, 22 Inspectors, 40 Sub-Inspectors, 56 Station House Officers, 2 European Sergeants, 244 Native Police Sergeants, and 1,914 Native Police Constables.

595 recruits were enlisted during the eighteen months.

*European Police.*—In August, 1910, the old European Police Force, consisting of twelve sergeants and constables, was disbanded, and was succeeded in September by a force of two Sub-Inspectors and twenty-five sergeants, recruited from the county police of the United Kingdom. The duties of this force consist mainly in the regulation of traffic and maintenance of order in Colombo, where the growing importance of the port and the cosmopolitan character of the population passing through it render their presence desirable.

The strength of the force at the end of 1911 was: 1 Inspector, 2 Sub-Inspectors, 4 Second Class Sergeants, and 24 Third Class Sergeants.

*Training School.*—On enlistment all recruits enter the Police Training School for a course of drill and instruction, extending ordinarily over a period of four months. During the eighteen months 475 recruits passed through the school. All Station House Officers on enlistment enter the school for a six months' course of instruction. Classes for constables desiring to qualify as sergeants are held twice a year.

*Rewards.*—Two native constables were awarded the "King's Police Medal" for conspicuous bravery in arresting an armed burglar.

*Policing of the Provinces.*—Of the nine Provinces of the Island, only the Western, the Southern, and the Kurunegala District of the North-Western are systematically policed throughout. Provision has recently been made to extend the system to the Puttalam and Chilaw Districts of the last-named Province.

*Punitive Police.*—In consequence of the lawlessness of the locality and the repeated occurrence of robbery and other crimes, a small force of punitive police was in March, 1911, established at Eravur in the Eastern Province.

#### (B) PRISONS.

There was a decrease of 691 prisoners in the total number of admissions of convicted prisoners to the prisons of Ceylon during the year July, 1910, to June, 1911, excluding Road Ordinance defaulters, of whom there were 215 in 1910-11, as against 408 in 1909. The figures are as follows :—

1909	..	..	..	8,840
1910-11	..	..	..	8,149

The convictions for murder and manslaughter were 117, as against 110 in 1909. There was a decrease of one in the number of capital sentences carried out :—

			Sentenced to Death.	Hanged.
1909	..	..	48	30
1910-11	..	..	41	29

Of the 41 sentenced to death, 38 were Sinhalese and 3 Tamils; 28 out of the 41 sentences were confirmed, 12 were commuted, and in one case a pardon was granted. There were six escapes during the period under review and three recaptures.

The total number of deaths in jail was 249, as against 381 in 1909 and 227 in 1908. The death-rate per thousand of the prisons population was 16·77, as against a rate of 28 per thousand of the general population. It may be noted that this figure compares favourably with the rate reported for India.

The daily average sick rate was 162, as against 167 for 1909. On the recommendation of the Principal Civil Medical Officer rice was substituted for bread in the penal No. 1 diet, with beneficial results.

The number of punishments for prison offences inflicted during the period under review was 1,220, as against 1,801 in 1909. The total number of individuals punished was 1,144, which would seem to indicate that it is seldom necessary to punish an individual a second time. Corporal punishments decreased from 45 in 1909 to 28 in 1910-11.

The jail at Nuwara Eliya was closed from January 1, 1911. It is proposed to close the jail at Ratnapura as soon as the railway is opened to that station.

As regards the employment of prisoners in works of public utility and remunerative industrial labour, Ceylon has the distinction of having more work to be done than prisoners available to do it.

All the cloth required for the clothing of prisoners is now woven by the prisoners themselves. Clothing and bedding are made by the prison tailors for the Prisons and Medical Departments. Baskets are manufactured by convalescent prisoners for the use of the Public Works Department. The steam laundry at the Welikada Prison in Colombo undertakes washing for the Medical and Railway Departments. Some 200 prisoners are daily employed in the new Government Printing Office. Quarters for the prison staff at the Convict Establishment in Colombo are being erected by prison labour.

Out of doors prisoners are employed chiefly in the quarrying of stone and breaking of metal. At Mahara, near Colombo, some 550 prisoners are daily employed in quarrying stone for the Harbour Works. At Kandy, Galle, and

Anuradhapura stone and metal are supplied to the Public Works Department, the Municipal Councils, and the Railway. The Karaiur Reclamation Scheme at Jaffna is expected shortly to give employment to some 300 prisoners daily, while another 160 will be employed at Mankulam, in the Northern Province, quarrying stone in connection with the Karachchi irrigation scheme.

For the accommodation of prisoners at Mankulam and other places where there is no established jail the use of portable prisons has been introduced. This will make it possible to transfer working parties to the site of those public works on which their services are most required throughout the Island. It is anticipated further that the prospect of being set to hard labour in lonely jungle districts will prove a deterrent to the habitual criminal.

So great has the demand become for the employment of prison labour on such works as the foregoing that it has been found advisable to reduce the period passed in the "penal" stage from three months to two. This action has not proved detrimental to discipline in the prisons, while it has rendered available the services of a larger number of prisoners for works of public utility, prisoners who have passed the "penal" stage being employed in outdoor manual labour instead of in "husk-beating" or other forms of comparatively unremunerative work within the walls of the jail.

### (C) CRIMINAL STATISTICS.

#### I.—From Returns furnished by the Inspector-General of Police.

The following figures show the number of "true" cases of cognizable crime dealt with for the past five years :—

Year.	True Cases.	Convictions and Committals.	Percentage of Convictions obtained.
1906 ..	17,621 ..	11,224 ..	63·6
1907 ..	15,555 ..	11,550 ..	65·5
1908 ..	17,831 ..	12,523 ..	70·2
1909 ..	16,296 ..	12,120 ..	74·3
1910 ..	14,104 ..	10,505 ..	74·4
1911 (six months) ..	6,589 ..	4,903 ..	74·4

Of the total of 14,104 cases for 1910, 7,679 were for offences under the Penal Code, against 8,475 for 1909, a very considerable decrease in real crime. Municipal and statutory offences also show a decrease, from 7,821 to 6,425.

The following table shows the fluctuations of true cases of the more serious forms of crime :—

	1907.	1908.	1909.	1910-11 (12 Months).
Murder and homicide ..	171 ..	180 ..	157 ..	186
Grievous hurt ..	478 ..	472 ..	468 ..	608
Hurt with dangerous weapons ..	855 ..	767 ..	798 ..	970
Burglary ..	2,022 ..	2,010 ..	1,620 ..	1,131
Theft of cattle and prædial products ..	1,370 ..	1,196 ..	836 ..	676

The Inspector-General comments as follows on the above figures :—

"It will be seen that there has been a slight increase in the number of murders and homicides as compared with the average of the three preceding years, and a large increase in the number of cases of grievous hurt and hurt with dangerous weapons. A marked decrease has occurred in cases of burglary, and a considerable decrease in the number of cases of thefts of cattle and prædial products.

"The increase in the number of cases of grievous hurt and hurt with dangerous weapons is serious. The increase has not been confined to any particular Province, but is general to all localities. This makes the problem of dealing

with it more difficult. I can only repeat what my predecessors have so often stated before, that cases of murder and stabbing are crimes over which the police can exercise little control, and to prevent which is almost impossible. The causes are hard to detect. The extraordinary wave of prosperity has probably had a marked effect. To suggest a remedy is still harder. Stabbing is the national way of fighting in Ceylon. Not until a radical change in the nature of this national custom is effected can much improvement be expected. To effect such a change it is essential to begin with the children. At present if two small boys have a dispute, it is usual for one to threaten to stab the other, even though he may have no knife. Such is the common national threat, and children become imbued with the idea that the use of the knife is proper and manly. It has been suggested that boxing should be encouraged as a national pastime in all schools. It could do no harm, and in years to come might well tend to a more general use of the fists to the exclusion of the knife."

Out of 278 murders committed during the eighteen months, 72 are reported to have been due to long-standing enmity between the parties, 69 to sudden quarrels, 48 to jealousy over women, 17 to land disputes, 10 for the purpose of plunder, and 62 due to various other causes.

## II.—*From Returns furnished by the Solicitor-General.*

The number of cases instituted in the Police Courts and Municipal Magistrates' Courts during the period January, 1910, to June, 1911, was 119,431. The proportion for twelve months of the period was 79,620, as against 86,130 in 1909.

The number of persons dealt with in the above cases was 129,121. The proportion per 100,000 inhabitants was 3,144, as against 2,631 in 1909.

2,884 persons were committed for trial before the Superior Courts. Of these, 14 were found to be insane and incapable of defending themselves, 45 were discharged on the withdrawal by the Attorney-General of the indictments against them, 1,690 were convicted of various crimes, and the remaining 1,135 were acquitted.

Taking into account offences of a serious nature which, in certain circumstances, are summarily triable by Police Magistrates, altogether 3,240 persons would appear to have been convicted of serious crimes during the eighteen months. The proportion for twelve months is 2,160, as against 1,882 for 1909, or an increase of 278 persons convicted.

The question of the substitution in certain cases of the alternative punishment of transportation for the death sentence had for some time been under consideration, and recently Ordinance No. 13 of 1911 was enacted, providing for the removal from Ceylon under "The Colonial Prisoners Removal Act, 1884," of persons condemned to death, whose sentence is commuted by the Governor to one of imprisonment. It is believed that this form of punishment in the cases referred to will have a more deterrent effect.

## VII.—VITAL STATISTICS.

### (A) POPULATION.

The population enumerated at the last Census (March 10, 1911) was 4,105,535, and consisted of 7,625 Europeans, 26,857 Burghers and Eurasians, 2,714,616 Sinhalese, 1,059,354 Tamils, 266,454 Moors, 13,089 Malays, and 17,540 Others, exclusive of the Military and the Shipping. Compared with the population at the Census of 1901, there was an increase of 15.1 per cent. in the decade. The natural increase by excess of births over deaths from the date of the last Census to June 30, 1911, amounted to 10,636, while the number of Indian immigrants

exceeded the number of emigrants by 8,169. The population estimated as on July 1, 1911, was accordingly 4,124,340, an increase of 127,676 persons or 3·19 per cent. on the population at the end of 1909 estimated on the basis of the last Census.

*Birth- and Death-rates.*—The births registered during the eighteen months numbered 241,488, and were in the proportion of 39·6 per 1,000 of the population per annum estimated to the middle of the period. The deaths registered during the eighteen months numbered 171,194, and were equal to a rate of 28·0 per 1,000 of the population per annum. Compared with 1909, the birth-rate for the eighteen months 1910-11 shows an increase of 2·9 per mille, and the death-rate a decrease of 2·3 per mille. Compared with the average rates for the twelve years 1898-1909, the birth-rate for the eighteen months shows an increase of 1·8, and the death-rate a decrease of ·5 per mille.

#### (B) PUBLIC HEALTH.

The public health during the year 1910 was slightly better than in the previous year, the death-rate being 27·3 per 1,000 of the population living in 1910, against 31·0 in 1909.

*Causes of Death.*—Deaths registered from enteric fever, diarrhœa, and dysentery showed a large decrease, whilst anchylostomiasis showed an increase. Cholera and smallpox, usually imported into the Island with the Indian cooly, accounted for 22 and 29 deaths respectively in 1910; but in the first half of 1911 there was a sharp outbreak of cholera, which was responsible for as many as 227 deaths.

In the eighteen months, January, 1910, to June, 1911, there were in all 171,194 deaths, the principal causes of death being diarrhœa, which accounted for 20,728 deaths, tuberculosis 6,070, dysentery 5,487, enteric fever 4,887, malarial fever 1,392, other kinds of fever 28,900, and anchylostomiasis 2,374.

*Preventive Measures.*—Measures have been taken for the prevention of *malaria*, from which at certain seasons of the year the native population suffers severely, by the circulation of leaflets and the free distribution of quinine to the villagers through the officers of the Medical Department and the headmen.

A systematic *anti-malaria campaign* is now in progress at Kurunegala in the North-Western Province.

Systematic measures for the prevention of *anchylostomiasis*, prevalent amongst the immigrant estate population, are in hand.

In connection with the King Edward VII. Memorial Fund, the erection of sanatoria, &c., in Colombo and elsewhere for the treatment of *tuberculosis* is under consideration.

*Vaccination* is systematically carried out throughout the Island by a special staff. During the eighteen months 251,500 subjects were vaccinated. The percentage of successful primary vaccination cases to total inspected was 95·45, while the percentage of successful re-vaccination cases was 70·34.

Stringent precautions are taken under the auspices of the Plague Committee to prevent the introduction of *plague* into Ceylon. The Island has hitherto been immune from the ravages of the disease. No cases occurred during the eighteen months under review.

There were 56 deaths from *hydrophobia* during 1910-11. The Ceylon Government gives an annual grant to the Pasteur Institute at Coonoor, and poor persons bitten by rabid animals and unable to meet the expenses of the journey are sent there at the cost of the Government.

Concerted action is being taken by the local authorities to stamp out rabies, by enforcing the registration of dogs and by the destruction of homeless "pariahs." (See under II. (c) Diseases of Animals.)

## (C) SANITATION.

In the matter of sanitation the large towns are controlled by Municipalities, while others have Local Boards, or come under the Small Towns Ordinance.

The general expense of scavenging is met from rates recovered locally, and loans are made occasionally to local bodies for larger works of permanence, such as water supply, construction of drains, &c., the cost of which they are unable to meet in a lump sum.

*Colombo Drainage Works.*—The drainage of Colombo has been undertaken by Government at the request of the Municipal Council, the necessary funds being advanced by Government on loan, while further assistance is being given by the contribution of a part of the expenditure as a free grant.

The scheme provides for a complete system of sewers and rain water drains throughout the city, and for the disposal of the sewage by bacterial treatment upon modern lines.

The first instalment of the scheme, for the harbour watershed, was commenced in June, 1904. These works, dealing with about one-fourth of the population of the city, were completed and handed over to the Municipal Council in September, 1910.

Satisfactory progress is being made in the establishment of the water carriage system in the area in question and its connection with the sewers.

*Water Supply Schemes.*—With the assistance of the Government, partly by way of grant, partly of loan, the Municipality of Galle has completed a water supply for that town. Similar assistance is being given to the Local Board of Kurunegala in the North-Western Province and to that of Batticaloa in the Eastern; while in the Northern Province special consideration has been shown to Mannar, a small township which is likely to rise to some importance with the opening of through railway connection with South India in the near future.

## (D) CLIMATE.

The climate of Ceylon varies considerably in different parts of the Island, both as regards temperature and rainfall. In the low-country and coast districts the climate is tropical, and a noticeable feature is the small diurnal variation of both the barometer and thermometer. In the mountainous districts in the interior of the Island it resembles that experienced in many parts of Europe, being temperate and equable.

The rainfall over the Island as a whole was below the average in 1910. Ratnapura again heads the list with 128·04 inches on 232 days, as against 166·46 inches on 244 days in 1909. At the other extreme, Mannar had 33·34 inches on 54 days, as against 36·68 inches at Jaffna in 1909.

The rainfall in Colombo was 45·69 inches on 135 days, and at Kandy 81·09 inches on 175 days.

The mean temperature for the whole year was highest at Trincomalee, 82·7° F.; and lowest at Hakgala, near Nuwara Eliya, 59·2° F.

At Colombo and Kandy the mean temperature was 80·7° and 75·8° respectively.

The highest temperature reached in the Island during 1910 was 101·2° on March 22 at Anuradhapura.

The highest on record for the Island is 103·7° at Trincomalee on May 12, 1890.

The highest temperature reached in Colombo in 1910 was 94·2° on January 30.

The mean daily range of temperature, i.e., the mean of the daily differences between the maximum and minimum temperatures, was highest at Badulla, where it was 19·1°; and lowest at Galle, 8·1°.

# VIII.—POSTAL, TELEGRAPH, AND TELEPHONE SERVICES.

Two new post offices and thirty-one new receiving offices were opened during the eighteen months, January, 1910, to June, 1911. The total number of offices now is 444, of which 276 are receiving offices for the sale of postage stamps and posting and delivery of letters, while 168 are money order and savings banks offices, and of these 110 are also telegraph offices.

A comparison of the revenue and expenditure for the year 1909 and the period under review shows—

	1909.	January, 1910, to June, 1911.	Proportionately for Twelve Months, 1910-11.
	Rs.	Rs.	Rs.
Revenue ..	1,457,069	2,483,774	1,655,849
Estimated value of work done for Government..	279,555	483,387	322,258
<b>Total ..</b>	<b>1,736,624</b>	<b>2,967,161</b>	<b>1,978,107</b>
Expenditure ..	1,694,682	2,846,261	1,897,507
<b>Balance ..</b>	<b>41,924</b>	<b>120,900</b>	<b>80,600</b>

The total estimated number of articles, exclusive of parcels, which passed through the post during eighteen months, January, 1910, to June, 1911, exceeded 56½ millions or, say, 37½ millions for twelve months, against 35½ millions in 1909 and 31½ millions in 1908.

The business done in parcels is shown as follows :—

	1909.	January, 1910, to June, 1911.	Proportionately for Twelve Months, 1910-11.
Total number of parcels..	484,703	833,936	555,958
Number of inland value- payable parcels ..	110,923	179,591	119,728
Value on inland value- payable parcels ..	Rs. 723,778	Rs. 1,237,438	Rs. 824,959
Number of Indian value- payable parcels ..	80,270	145,630	97,087
Value on Indian value- payable parcels ..	Rs. 613,073	Rs. 1,193,313	Rs. 795,542

The following are the figures for money orders :—

	1909.	January, 1910, to June, 1911.	Proportionately for Twelve Months, 1910-11.
	No. Amount. Rs.	No. Amount. Rs.	No. Amount. Rs.
Inland ..	367,089 .. 9,666,463	582,074 .. 16,542,271	388,050 .. 10,928,181
Indian ..	210,568 .. 5,694,935	356,593 .. 10,667,714	237,729 .. 7,111,810
United Kingdom ..	11,007 .. 435,982	17,506 .. 717,061	11,671 .. 478,041
Colonial and Foreign ..	11,812 .. 774,395	19,400 .. 1,355,243	12,934 .. 903,496
<b>Total ..</b>	<b>600,476 16,571,775</b>	<b>975,573 29,282,289</b>	<b>650,384 19,221,528</b>



The business done in postal orders is shown below :—

	1909.		January, 1910, to June, 1911.		Proportionately for Twelve Months, 1910-11.	
	No.	Amount.	No.	Amount.	No.	Amount.
Ceylon ..	72,543 ..	Rs. 243,553 ..	120,521 ..	Rs. 407,690 ..	80,348 ..	Rs. 271,794
British ..	27,950 ..	£19,163 ..	55,151 ..	£37,915 ..	36,768 ..	£25,277

The total number of telegrams dealt with during the eighteen months under review was 1,408,952, or 939,301 for twelve months, against 744,175 in the year 1909. Foreign telegrams (other than those sent to India) amounted to 139,062. Telegrams received from India and other countries numbered 166,464.

It will be seen that the increase throughout reflects the general increase in trade, while the activity of the rubber share market during the "boom" of 1910 was not without its effect on the telegraph receipts.

The telephone trunk line from Kandy to Galaha was opened on April 1, 1910 ; from Colombo to Kandy on March 10, 1911 ; and from Kandy to Nuwara Eliya on April 13, 1911.

In 1896, the year that Government took over the Telephone Exchange from the Oriental Telephone Company, there were 130 telephones in use ; there are now 1,114, as against 939 in 1909. The average daily calls at the Colombo Telephone Exchange in 1896 were 85 ; they now number 7,837, as against 4,432 in 1909.

*Wireless Telegraph Station.*—The establishment of a wireless telegraph station in the Colony has been started. The work has been entrusted to the Marconi Wireless Telegraph Company, and is estimated to cost Rs. 75,000. The station will be situated at Colombo. Its anticipated range is 450 to 500 miles by day and 800 miles by night.

## IX.—PUBLIC WORKS.

### (A) PUBLIC WORKS DEPARTMENT.

The total expenditure of the Public Works Department has increased from Rs. 3,437,862 in 1896 (twelve months) to Rs. 6,582,319 in 1910-11 (twelve months), the latter figure showing an increase of Rs. 945,006 over 1909. The average annual expenditure during the past fifteen years is Rs. 5,054,701.

The total length of roads maintained by the Public Works Department during the year was 3,839 miles, of which 3,493 miles are cart roads and 346 miles are bridle roads.

The special expenditure on roads and bridges for the eighteen months, under the programme of Works chargeable to Surplus Balances, amounted to more than Rs. 401,000, or proportionately for twelve months some Rs. 267,000, an increase over 1909 of Rs. 228,000.

Amongst the more important public works in progress or in contemplation during the period under review the following may be noted :—

The *Central Telegraph Office* in Colombo was completed in March, 1911.

New premises for the *Government Printing Office* have been completed at Welikada, permitting its removal from its somewhat cramped situation in the Fort of Colombo.

A commencement has been made with the building of the new *Royal College* at Colombo, estimated to cost Rs. 250,000.

Plans and estimates have been approved for the rebuilding of the *Ceylon Medical College*, the accommodation in the present premises being inadequate to meet the growing requirements of the local Medical Service.

A scheme for the development of the *Colombo Lake* with a view to its use as an accessory to the Colombo Harbour has been taken in hand. The project provides for the improvement of the lake for water transport between it and the harbour, and includes among other works the construction of a canal to connect the harbour with the lake and the reclamation of certain portions of the lake, which will provide valuable sites for the purposes of stores and mercantile warehouses.

Owing to the heavy cost of the work, only the most important section of the lake, which lies immediately to the southward of the Fort of Colombo, is to be taken in hand immediately. The works now in progress are estimated to cost Rs. 3,000,000.

#### (B) COLOMBO HARBOUR WORKS.

The expenditure upon the harbour works proper during the eighteen months amounted Rs. 1,534,543, the total expenditure since the commencement of the South-west Breakwater in 1873 being Rs. 42,730,796.

*New Arm, South-west Breakwater.*—This structure is now complete, with the exception of the landing jetty, masswork, lighthouse, and bagwork, which it is expected will be finished during the present block setting season. A saving of Rs. 1,605,000 is expected on the estimated cost of the work, consequent on economies in construction and on the reduction of the length of the arm from the 2,000 feet originally contemplated to 1,800 feet.

*Graving Dock.*—Workshops for the repair of ships in connection with the Graving Dock are being erected by a private firm in terms of an agreement with the Government.

In conjunction with Government the Municipal Council has undertaken to effect an important improvement in the widening of the approach road to the Dock.

*Coaling Grounds.*—The new coaling grounds on the east side of the harbour have been allotted to the different coaling firms. The site of the old coaling grounds on the south side will probably be utilized for a much-needed extension of the Customs premises.

*Deepening of the Harbour.*—In view of the decision of the Suez Canal Company to increase the depth of the canal to 11 metres or 36 feet, steps are being taken to dredge the northern portion of the harbour to a similar depth, two further areas, at the root of the South-west Breakwater and opposite the coaling jetties, being dredged to a depth of 33 feet.

*Extension of the Passenger Jetty.*—Funds have been provided for the extension of the passenger jetty from its present length of 250 feet to 370 feet.

#### (C) RAILWAY.

##### *Open Lines.*

The total length of line open for traffic at the end of June, 1911, was 576½ miles. No addition was made during the eighteen months.

The receipts from all sources during the year 1910-11 amount to Rs. 13,583,160, or Rs. 1,836,557 in excess of 1909. Of this increase, Rs. 998,045 is due to coaching traffic, Rs. 731,090 to goods traffic, and the balance to other miscellaneous traffic.

With regard to goods traffic, the most noticeable increases are as follows :—Sundry goods 40,404 tons, manure 15,182 tons, rice 14,213 tons, rubber 1,433 tons, liquid fuel 1,395 tons, tobacco 679 tons.

The working expenses, including new works maintenance charges, for the year 1910-11 amounted to Rs. 6,337,583, as against Rs. 5,990,419 in 1909, or an increase of Rs. 347,164 :—

	Rs.
Receipts .. .. .	13,583,160
Working expenses .. .. .	6,337,583
Profit .. .. .	<u>7,245,577</u>

Of this balance, a sum of Rs. 1,219,367 was expended during the year on additional rolling stock and improvements. A further sum of Rs. 1,168,335 from the surplus balances of the Colony was spent on new works.

The capital outstanding on railway construction loans on June 30, 1911, was Rs. 49,354,216, and the total capital cost to June 30, 1911, including additional accommodation and improvements, amounted to Rs. 95,657,026.

A number of improvements to stations and buildings and the extension of the Tyer's tablet and interlocking systems have been carried out during the year, and nearly 200 bogie and four-wheeled vehicles for both goods and passenger traffic have been added to the rolling stock.

#### *Extensions.*

*To Chilaw.*—This line will form a continuation of that opened in December, 1909, between Colombo and Negombo, extending it for another 27 miles up the west coast through a thickly populated district, the greater portion of which is devoted to the cultivation of coconuts. It is anticipated that it will attract a large goods traffic. The survey of the line was completed during the period under review, and the work of construction is now in hand. The estimated cost of the extension is Rs. 3,932,053.

*To Ratnapura.*—The Kelani Valley narrow gauge (2 ft. 6 in.) line runs at present from Colombo to Avisawella. The extension to Ratnapura will carry it another 27 miles through a wide tract of country already opened or now being opened in rubber and tea, and will tap the important rubber centre of Pelmadulla and the tea districts of Rakwana and Balangoda. The line was opened for goods traffic to Ratnapura and passenger traffic to Kuruwita in January, 1912, and will probably be completely opened in April. The total estimated cost is Rs. 2,953,408, and the expenditure up to June 30, 1911, Rs. 2,502,353.

*To Pelmadulla.*—A preliminary survey has been made for a distance of some 17 miles beyond Ratnapura, with a view to the possible further extension of the Kelani Valley narrow gauge line to Pelmadulla. The trace proposed follows the We-ganga Valley, along which very large areas of rubber have been opened during the last few years.

*To Badulla.*—Sanction has been given for the commencement of preliminary work with a view to the extension of the main line from Bandarawela, the present up-country terminus, to Badulla, the chief town of the Province of Uva, and an important centre of the tea and rubber plantation industries. The new line will be some 21 miles in length, traversing hilly and broken country throughout. The survey of the trace is now in hand.

*To Mannar.*—Steady progress has been made during the eighteen months on this section of the "Indo-Ceylon Railway," and ballast trains are now running over 36 miles of line. A new port has been created at Talaimannar, and over 10,000 tons of rail materials were landed during 1910, including all the steelwork required for the piers and bridges over the Mannar channels.

The north pier at Talaimannar now extends 300 feet seaward, and it has been found possible to carry on the work practically without interruption during both monsoons.

Station buildings and staff quarters are in course of erection, and owing to the total absence of stone or clay suitable for brick making in the island of Mannar, cement blocks are used for building purposes. These have been found most satisfactory, as coarse sand can be obtained in abundance. The blocks are made in portable machines at the building site.

The health of the working parties has been satisfactory, considering the unhealthy and malarious district in which the work lies. Quinine is issued free to all the labour force, and every endeavour made to induce the coolies to observe simple sanitary regulations.

*Colombo Stations Extension.*—This scheme comprises the construction of new stations at Maradana and the Fort, new railway store, engine sheds and yards, re-arrangement of the old goods yard, deviation and duplication of main lines across the lake, formation of lake basins to take traffic from the railway by water to the godowns and eventually to the harbour, the reclamation of a large area of the lake, and the construction of a quay wall, on which electric cranes will work. The new station at Maradana, engine sheds and yards, railway store and office, and inward goods shed have already been completed. The quay wall is three-quarters completed, and good progress is being made with the rest of the works. The total estimated cost of the work as it at present stands is Rs. 4,822,145, and the expenditure to June 30, 1911, Rs. 3,554,955.

*Sea Coast Duplication and Maradana-Ragama Widening.*—This work was commenced in 1909, and provides for the duplication of the track between Moratuwa on the Coast line south of Colombo and Ragama on the line to Kandy. The actual duplication between Colombo and Ragama has been completed, and signalling, interlocking, &c., are now in hand. South of Colombo four new stations have been opened, and three others are approaching completion, while the duplication has been effected as far as Mount Lavinia. It is hoped to open certain sections of this line for double traffic by March, 1912. The total estimate for the work is Rs. 2,697,356, the expenditure to June 30, 1911, being Rs. 1,965,831.

*Protection of Sea Coast Line.*—To counteract the encroachment of the sea heavy protection works of rubble and blocks of stone have been taken in hand along the line running through Kollupitiya and Bambalapitiya, and in weak spots between Wellawatta and Mount Lavinia. About half of the former work has been completed, and from observations made during the last monsoon it is believed that further erosion has been permanently checked. The estimate for the whole of these works is Rs. 463,510, and the expenditure to June 30, 1911, Rs. 326,690.

#### (D) IRRIGATION.

The present policy in irrigation matters is to develop the irrigable areas opened up by the large irrigation works which have been carried out in the past, and to complete these works by carrying out connected schemes of channels, &c.

The expenditure on construction for the period of eighteen months from January 1, 1910, to June 30, 1911, was Rs. 484,228, against Rs. 389,412 in the previous year, while the cost of maintenance during the period under review was Rs. 161,572. The total expenditure on irrigation for the year was Rs. 1,256,752, which includes the cost of staff and all management charges.

A revised computation of the area irrigated by the larger works restored by Government shows the extent to be about 132,612 acres, or 207 square miles.

The extent irrigated by village works restored under Government supervision is reported to have been for the period under review 103,245 acres, or 161 square miles. The decrease of 93 square miles as compared with 1909 is attributed to the fact that 1910 was a dry year, and that the area cultivated had in consequence to be restricted.

In accordance with the recommendations of the Special Committee appointed to consider the report of Mr. W. L. Strange, whose services were lent to the Colony by the Government of India, steps have been taken to strengthen the staff of the Irrigation Department and to rearrange the areas under the supervision of the district officers, with a view to decentralizing the work and giving the Divisional Engineers a freer hand in dealing direct with the local revenue officers. Other recommendations made by the Committee are receiving attention.

#### (E) FORESTS.

In accordance with the decision that for the future the posts of Deputy Conservators and Assistant Conservators of Forests should be filled by trained Foresters only, four new officers trained at Oxford were appointed during 1910.

Forest exploitation has been directed towards the elimination of over-mature timber, which retarded future regeneration of crops, and to the utilization of timber on areas to be alienated for sale, lease, or irrigation purposes.

The supply to Public Departments at actual cost of output reached a value of about Rs. 972,000 for the period from January 1, 1910, to June 30, 1911, or, say, Rs. 648,000 for twelve months, as against Rs. 713,000 in 1909. Since 1906 the Forest Department has delivered 427,910 broad gauge and 119,343 narrow gauge sleepers to the Railway, and it now holds a large supply in reserve.

The average cost of delivery to date has been Rs. 3·62 per broad gauge and Re. 1·85 per narrow gauge sleeper. The Railway previously paid over Rs. 5 per sleeper for supplies of broad gauge Jarrah, so that a considerable saving has been effected by the supply being obtained from the local forests, while the local sleepers are admittedly more durable.

---

### X.—GENERAL OBSERVATIONS.

#### (A) IMPORTANT EVENTS.

The remarkable manifestations of sorrow evoked amongst all sections of the community by the news of the death of His Majesty King Edward in May, 1910, and the no less universal rejoicings that marked the local celebrations of the Coronation of His Majesty King George in June last, gave proof, if proof were wanting, that to His Majesty's subjects of all races in Ceylon the words "The King is dead. Long live the King!" came home with hardly less significance than to the people of the mother-country. In Colombo, on the occasion of the King's death, a memorial service held in the open on the Galle Face esplanade drew together a gathering of several thousands of every race and creed; while at the time of the Coronation, not only did the official programme surpass in elaboration any previous function of the kind, but private munificence vied with public display that all might bear a share in the festivities, and even the houses of the poorest bore some token of rejoicing.

In February, 1910, an elephant kraal was held in the Kurunegala District.

Durbars were held of the Kandyan Chiefs at Kandy in July, and of the Chief Headmen of the Maritime Sinhalese Provinces in Colombo in August. In the latter month the Durbar of the Tamil Chief Headmen was held for the first time at Jaffna.

In September His Excellency Sir Henry McCallum paid a visit to the Maldive Islands, sailing in the flagship of the East Indies Squadron, which was placed at his disposal through the courtesy of His Excellency the Naval Commander-in-Chief of the East Indies Station.

In the same month a children's hospital was opened in Colombo as a memorial to the late Lady Ridgeway, wife of a former Governor of Ceylon.

Their Imperial Highnesses the German Crown Prince and Princess paid a visit to the Island from November 20 to December 11, 1910. The visit was an unofficial one, and Their Imperial Highnesses spent the greater part of their stay in motoring about the country, and enjoyed some hunting and shooting. They were made the guests of the Colony during their stay in Colombo, where a garden party was given in their honour by His Excellency the Governor.

The fifth Decennial Census of Ceylon was taken on the night of March 10, 1911, the total population, exclusive of the military and the shipping, being returned at 4,105,535, or an increase of 15·13 over the figure for 1901.

In March, 1911, two hospitals, erected by private munificence, were opened by His Excellency the Governor at Veyangoda and Negombo respectively.

In May His Excellency laid the foundation stone of the new Royal College building in Colombo.

The eighteen months have witnessed a striking development in the growth of Colombo as a city. There has been great activity in building in the Fort, two firms in particular having erected new premises of five and six storeys high. Both the leading hotels have undertaken large programmes of reconstruction and extension.

Commissions were appointed by the Governor during the year to inquire into two important questions, viz. :—

Tuberculosis—its prevalence, and the preventive and remedial measures called for.

Goods and passenger traffic on the Railway—how far the existing means of dealing with the traffic were adequate, and what further facilities were needed to meet immediate and future requirements.

Committees were also appointed to deal with the following subjects :—

The registration of “vedaralas,” or native medical practitioners, in connection with the sale of opium as a Government monopoly.

The prevention of the spread of anchylostomiasis.

The prevention of malaria.

The pay and prospects of the nursing staff of the Civil Medical Department.

The suggested extension of the railway from Ratnapura to Pelmadulla.

The question of compensation to Government officers stationed in Colombo for the high cost of house rents.

The general question of higher and secondary education in the Colony.

The Excise Commissioners, appointed in 1909 to advise the Government with regard to the proposed abolition of the existing system of production and distribution of arrack and toddy and the introduction of a system of excise on the lines of that in force in the Madras Presidency, presented their preliminary report in July, 1910. Their recommendations having received the general approval of the Secretary of State, steps are being taken to work out the details of the new system and to train a number of officers, who will eventually form

the nucleus of an Excise Department. The changes involved are, however, so comprehensive and far-reaching that some little time must still elapse before they can be brought into full operation.

#### (B) PUBLIC SERVICE.

Mr. H. W. Brodhurst, Government Agent of the Western Province, received the honour of a Companionship of the Most Distinguished Order of Saint Michael and Saint George, and the Hon. Mr. S. C. Obeyesekere, the representative of the Low-country Sinhalese in the Legislative Council, that of Knight Bachelor. Lieut.-Col. E. C. Davies was appointed a Companion of the Imperial Service Order.

The following deaths among members of the Public Service are recorded with regret :—Sir F. R. Saunders, K.C.M.G., who retired from the office of Treasurer of the Colony ; Mr. G. E. Worthington, who retired in 1891 from the office of District Judge, Jaffna ; Mr. J. H. Bostock, Resident Engineer of the Colombo Harbour Works ; Mr. A. Murray, formerly of the Ceylon Public Works Department ; Dr. James Craib, Provincial Surgeon ; Mr. J. H. Leak, late of the Ceylon Civil Service ; Mr. H. W. Nelson, Registrar of the Supreme Court ; Mr. John Kyle, Resident Engineer of the Colombo Harbour Works.

Sir Joseph Hutchinson, Chief Justice of the Colony, retired in May, 1911, and was succeeded by Mr. A. G. Lascelles, K.C., formerly Attorney-General.

#### (C) CHANGES IN THE CONSTITUTION OF THE LEGISLATIVE COUNCIL.

By Royal Instructions dated November 24, 1910, the constitution of the Legislative Council of the Island was remodelled, so as to make provision for the election of a proportion of the unofficial members. Hitherto there had been nine official and eight unofficial members of Council, the latter all being nominated by the Governor. In the new Council there are eleven official and ten unofficial members. Of the latter, four are elected, representing respectively the European urban, the European rural, the Ceylonese, and the Burgher electorates. The remaining six unofficial members are still nominated by the Governor, and include one Kandyan Sinhalese, one Muhammadan, two Low-country Sinhalese, and two Tamil members.

For the European electorates the qualifications of voters are based on considerations of residence and property. For the Ceylonese, which includes the Sinhalese, Tamils, and other persons who are not eligible for the European or Burgher electorates, the qualification is educational. For the Burgher electorate the qualification is based on descent from Europeans who were in the service of the old Dutch East India Company in Ceylon.

The newly constituted Council met for the first time in January, 1912.

#### (D) IMMIGRATION AND EMIGRATION.

The term "immigration" in Ceylon is commonly used with reference to the immigration of native labour from the South of India for the tea and rubber plantations. There is no opening in Ceylon, as in the self-governing Colonies, for the immigration of white labour.

The number of immigrant labourers who arrived in Ceylon in 1910-11 was 158,744, or taking the figures for the twelve months of 1910 and the six months of 1911 separately the numbers were 118,613 and 40,131 respectively. These figures are above the average for the past six years, which was, in round figures, 78,000. The number that arrived in 1909 was 80,718, so that comparing the arrivals of the year 1909 with those of 1910 there was an increase of nearly 50 per

cent. in the latter year. While such an increase is in itself satisfactory, it must be borne in mind that the arrivals are largely counterbalanced by the departures, which in the official returns are given at 64,660 for 1910 and 36,601 for six months of 1911, the arrivals thus showing an excess over the departures for the eighteen months of 57,483. But the returns quoted do not include the departures of coolies by the vessels of the Ceylon Steamship Company, so that the actual excess was less than the figure given.

Although in some parts of the Island the Sinhalese villagers are taking more and more to work on estates, the demand for immigrant Tamil labour is still steadily on the increase, and with the competition in the labour market of South India both of the Straits Settlements and of India itself, the position from the point of view of the Ceylon employer is one that calls for, and is receiving, the earnest consideration of the planting community.

To provide for the detention in quarantine of immigrant coolies entering Ceylon by the Mannar route as soon as through communication with India is established, it was proposed to construct a depôt and segregation camp at Kondegall, near Paumben, on Rameswaram island. Owing, however, to the scarcity of the water supply, it has been found that that site affords inadequate facilities for enlargement of the depôt should the route become a favourite one with the coolies. Negotiations are now in progress for the acquisition of a more suitable site at Tangachchimadam, the next station to Paumben on the railway line between that place and Daneshkodi.

Apart from coolies returning to their homes, the main stream of emigration from Ceylon is rather to the Straits Settlements and the Malay States than to India, and the number of Ceylonese, especially from the north of the Island, who of late years have sought a living in the countries named is not inconsiderable.

#### (E) OPENINGS FOR INVESTMENT OF CAPITAL.

The cultivation of tea, rubber, and coconuts continues to offer the chief openings for the investment of capital. Coconuts in particular are now attracting European capital, and should it once be established that they can be successfully grown under irrigation, there is the prospect of considerable extension of this industry in the North-Western Province, and even in the drier districts of the North-Central Province as well as elsewhere.

The plumbago mining and gemming industries, as well as the cultivation of tobacco, are almost exclusively in native hands. The market for the tobacco now produced being limited, there is little, if any, room for the extension of its cultivation on present lines. But it is believed that with more up-to-date methods of cultivation and curing this crop can be grown with profit for the European market. Similarly, in the drier districts the cultivation of cotton offers possibilities as yet undeveloped.

[See under II. (B) Mining, II. (C) Position of Agricultural Industries, and II. (D) Land Sales.]

#### (F) GENERAL CONDITION OF THE COLONY ; SOCIAL AND MORAL CONDITION OF THE PEOPLE.

Of the material prosperity of the Colony and its inhabitants there is no question. Except perhaps in the remotest districts, there is evidence on every hand of increasing wealth and a higher standard of living. Education is spreading, and although in some parts of the country its effects are so gradual as to be hardly noticeable, in others the demand of the people themselves for the establishment of new schools testifies to the fact that its advantages are appreciated. But while in the towns and among the more cultivated of the



community wealth and education may be productive of little but good, in the villages it too often happens that the acquisition of a little learning and the increase of riches afford a stimulant to that love of litigation which is already the curse of the country. The spirit of the vendetta is strong, the system of inheritance of landed property in infinitesimal shares is not conducive to harmony, and in the intervals between the sowing and the reaping of the paddy crops work is at a discount, while legitimate forms of amusement are generally few, and the law court becomes an irresistible centre of attraction. The question of the system of inheritance is one that has already engaged the serious attention of the Government. The more strict control of the liquor trade, which the introduction of an excise system will secure, may be expected to have beneficial results. The policing of the rural districts should tend to effect not only the more prompt punishment of real offenders, but a reduction in the number of false charges. For the rest it is for the leaders of the people themselves, as well as for all those who are concerned with the education of the young, to inculcate a spirit of self-respect and of that mutual help and co-operation which are so largely the basis of modern civilization.

February, 1912.

A. N. GALBRAITH,  
Second Assistant Colonial Secretary.



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### ANNUAL.

No.	Colony, &c.	Year.
686	Malta ... ..	1910-1911
687	Imperial Institute ... ..	1910
688	Gold Coast ... ..	"
689	Fiji ... ..	"
690	Somaliland ... ..	"
691	Hong Kong... ..	"
692	Nyasaland ... ..	1910-1911
693	Seychelles ... ..	1910
694	Sierra Leone ... ..	"
695	Southern Nigeria ... ..	"
696	Bechuanaland Protectorate ... ..	1910-1911
697	Swaziland ... ..	"
698	Barbados ... ..	"
699	Trinidad and Tobago ... ..	"
700	Mauritius ... ..	1910
701	Grenada ... ..	"
702	British Guiana ... ..	1910-1911
703	Jamaica ... ..	"
704	Northern Nigeria ... ..	"
705	East Africa Protectorate ... ..	"
706	British Honduras ... ..	1910
707	Tonga Islands Protectorate ... ..	"
708	Uganda ... ..	1910-1911
709	Straits Settlements... ..	1910
710	Basutoland ... ..	1910-1911
711	Leeward Islands ... ..	"
712	St. Vincent ... ..	"
713	St. Lucia ... ..	1910
714	St. Helena ... ..	1911
715	Weihaiwei ... ..	"

### MISCELLANEOUS.

No.	Colony, &c.	Subject.
71	Imperial Institute ... ..	Foodstuffs.
72	Fiji ... ..	Hurricane, 1910.
73	Jamaica ... ..	Cayman Islands.
74	Ceylon ... ..	Mineral Survey, 1906-7 and 1907-8.
75	West Indies... ..	Imperial Department of Agriculture.
76	Southern Nigeria ... ..	Mineral Survey, 1907-8.
77	St. Vincent ... ..	Roads and Land Settlement Fund.
78	Weihaiwei ... ..	Census, 1911.
79	Northern Nigeria ... ..	Mineral Survey, 1907-8 and 1908-9.
80	Nyasaland ... ..	Mineral Survey, 1908-9.
81	Southern Nigeria ... ..	Mineral Survey, 1908-9.
82	Imperial Institute ... ..	Rubber and Gutta-percha.







# COLONIAL REPORTS—ANNUAL.

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No. 758.

## C E Y L O N .

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### REPORT FOR 1911-12.

(For Report for 1910-11, *see* No. 716.)

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Presented to both Houses of Parliament by Command of His Majesty.

*July, 1913.*

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# CONTENTS.

MAP.		PAGE
<b>I.—FINANCIAL :</b>		
	General Revenue and Expenditure .. .. .	1
	Assets and Liabilities .. .. .	8
	Public Debt .. .. .	8
	Currency and Banking .. .. .	9
	Municipalities .. .. .	10
	Local Boards .. .. .	11
<b>II.—TRADE, AGRICULTURE, AND INDUSTRIES :</b>		
	Imports and Exports .. .. .	11
	Mines, Manufactures, and Fisheries .. .. .	17
	Agriculture .. .. .	19
	Land Grants and General Value of Land .. .. .	21
	Shipping .. .. .	22
<b>III.—LEGISLATION .. .. .</b>		
<b>IV —EDUCATION :</b>		
	Vernacular Education .. .. .	26
	English Schools .. .. .	26
	Training of Teachers .. .. .	28
	Technical, Industrial, and Agricultural Education .. .. .	28
	Proposed Educational Reforms .. .. .	29
<b>V.—GOVERNMENT INSTITUTIONS :</b>		
	Hospitals .. .. .	30
	Medical Institutions .. .. .	30
	Asylums .. .. .	30
	Poor Houses .. .. .	30
	Reformatories .. .. .	30
	Savings Banks .. .. .	31
<b>VI.—JUDICIAL STATISTICS :</b>		
	Police .. .. .	31
	Prisons .. .. .	31
	Criminal Statistics .. .. .	32
<b>VII —VITAL STATISTICS :</b>		
	Population .. .. .	33
	Public Health .. .. .	34
	Sanitation .. .. .	35
	Climate .. .. .	35
<b>VIII.—POSTAL, TELEGRAPH, AND TELEPHONE SERVICES .. .. .</b>		
<b>IX.—PUBLIC WORKS :</b>		
	Public Works Department .. .. .	37
	Colombo Harbour Works .. .. .	37
	Railway .. .. .	37
	Irrigation .. .. .	39
	Forests .. .. .	39
<b>X.—GENERAL OBSERVATIONS :</b>		
	Important Events .. .. .	40
	Public Service .. .. .	41
	The Excise Commission .. .. .	41
	Immigration and Emigration .. .. .	41
	Openings for Investment of Capital .. .. .	42



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**Negombo**



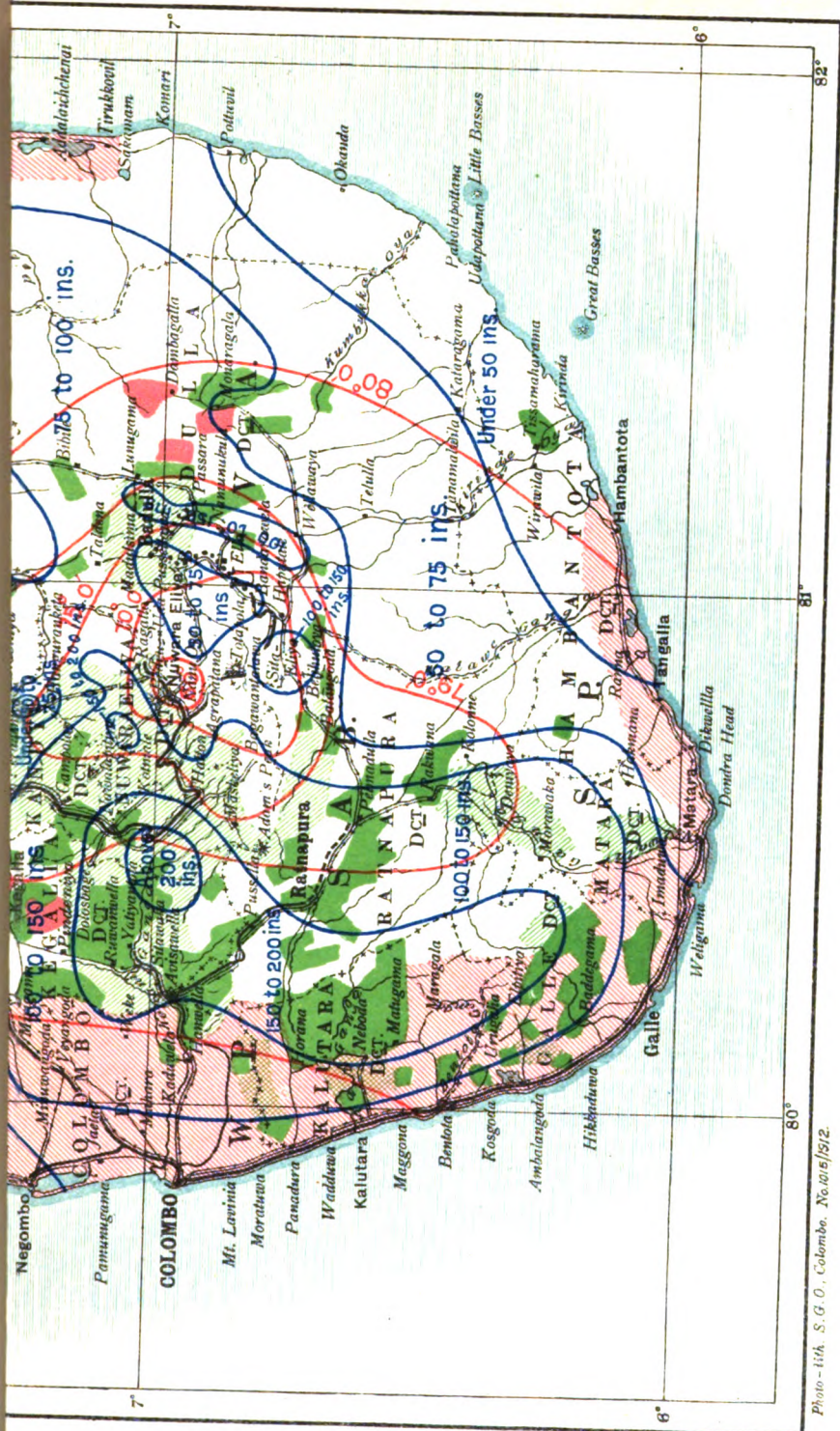


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# REPORT ON THE CEYLON BLUE BOOK OF 1911-1912.

[NOTE.—The last Report dealt with the financial year 1910-11. It has since been decided that the Blue Book should give statistics for the calendar year so far as possible. This Report, therefore, deals with statistics for the calendar year 1911, except in the sections dealing with Finance, Education, and Railway, where, the figures being based on the returns for the financial year, the period dealt with is that from July 1, 1911, to June 30, 1912.]

## I.—FINANCIAL.

### (A) GENERAL REVENUE AND EXPENDITURE.

#### *Revenue.*

THE revenue in 1911-12 amounted to Rs. 47,246,222, which was Rs. 3,034,222 more than the estimate, and Rs. 2,609,122 more than the total expenditure of the twelve months chargeable to revenue.

Taking two-thirds of the total for the eighteen months 1910-11 as the proportionate revenue for twelve months ending June 30, 1911, the revenue during the period under review was Rs. 3,504,464 more than the revenue of the preceding twelve months.

The following table shows the rapid growth of the Ceylon revenue during the last decade :—

Year.	Revenue.		Expenditure.		Excess of Revenue as compared with previous Year.		Surplus of Revenue over Expenditure.	
	Rs.		Rs.		Rs.		Rs.	Rs.
1901 ..	26,437,102	..	29,216,747 <sup>a</sup>	..	—	..	—	2,779,645 <sup>b</sup>
1902 ..	28,435,158	..	28,042,105 <sup>c</sup>	..	1,998,056	..	393,053	
1903 ..	29,423,308	..	27,078,759 <sup>d</sup>	..	988,150	..	2,344,549	
1904 ..	30,472,325	..	32,019,393	..	1,049,017	..	—	1,547,068 <sup>b</sup>
1905 ..	34,395,336	..	29,736,899	..	3,923,011	..	4,658,437	
1906 ..	35,030,661	..	32,644,215	..	635,325	..	2,386,446	
1907 ..	36,573,825	..	32,591,522	..	1,543,164	..	3,982,303	
1908 ..	35,572,849	..	35,032,055 <sup>e</sup>	..	—	..	540,794	
1909 ..	39,332,861	..	35,789,398 <sup>f</sup>	..	3,760,012	..	3,543,463	
1910-11* ..	43,741,758	..	39,302,822 <sup>g</sup>	..	4,408,897	..	4,438,936	
1911-12 ..	47,246,222	..	44,637,100 <sup>h</sup>	..	3,504,464	..	2,609,122	

\* Proportionately for twelve months.

<sup>a</sup> Includes Rs. 3,320,152 from surplus balances.

<sup>b</sup> Deficit.

<sup>c</sup> Includes Rs. 1,700,227 from surplus balances.

<sup>d</sup> Includes Rs. 363,931 from surplus balances.

<sup>e</sup> Includes Rs. 278,508 from surplus balances.

<sup>f</sup> Includes Rs. 1,906,442 from surplus balances.

<sup>g</sup> Includes Rs. 2,835,115 from surplus balances.

<sup>h</sup> Includes Rs. 5,118,596 from surplus balances.

It will be seen that the revenue has increased by 78 per cent. during the decade.

The following is a comparative statement showing the actual revenue collected in 1910-11 and 1911-12 :—

	A. Revenue for Eighteen Months, 1910-11.	B. Proportionate Revenue for Twelve Months, 1910-11.	C. Revenue for 1911-12 (Twelve Months).	Nett Increase (compared with B).	Nett Decrease (compared with B).
	Rs.	Rs.	Rs.	Rs.	Rs.
1. Customs .. ..	16,885,970	11,257,313	12,554,534	1,297,221	—
2. Port, Harbour, Wharf, Warehouse, and other Dues .. ..	4,097,681	2,731,787	2,924,519	192,732	—
3. Licenses, Excise, and Internal Revenue not otherwise classified ..	13,802,335	9,201,556	10,128,717	927,161	—
4. Fees of Court or Office, Payment for Specific Services, and Reimburse- ments in Aid ..	2,457,736	1,638,491	1,799,056	160,565	—
5. Post and Telegraphs ..	2,700,903	1,800,602	1,849,382	48,780	—
6. Government Railway ..	20,160,125	13,440,083	14,052,651	612,568	—
7. Interest .. ..	1,824,724	1,216,483	1,226,774	10,291	—
8. Miscellaneous Receipts ..	1,119,598	746,399	581,074	—	165,325
9. Land Revenue (exclusive of Land Sales) ..	775,831	517,221	449,469	—	67,752
10. Land Sales .. ..	1,787,735	1,191,823	1,680,046	488,223	—
Total ..	65,612,638	43,741,758	47,246,222	3,737,541	233,077
Deduct Decrease ..				233,077	
Nett Increase for 12 Months ..				3,504,464	

There is an increase under every head of revenue as compared with 1910-11, with the exception of Miscellaneous Receipts and Land Revenue (exclusive of Land Sales). The decrease under the former is chiefly due to the Pearl Fishery Rent (Rs. 310,000) not having been paid in for 1912; that under the latter to a decrease in receipts on account of Rent of Lands, Miscellaneous Land Revenue, and Sale of Timber and Forest Produce. The increase of nearly 13 lakhs under Customs, 6 under Government Railways, and nearly 5 lakhs under Land Sales are indicative of the continued prosperity of the Island. The increase of over 9 lakhs under Licenses is due to the abolition of Judicial Stamps and the use of Revenue Stamps in their stead, as well as to larger receipts under Arrack Rents.

*Surplus Fund.*—The surplus fund of the Colony on June 30, 1912, stood at Rs. 29,409,559, or Rs. 2,609,123 more than at the end of June, 1911. The fund is composed of balances accruing by excess of revenue over expenditure in successive years, and is utilized to finance the execution of certain important public works in accordance with a programme approved by the Secretary of State. Advances are also made from the fund to meet expenditure on works properly chargeable to loan funds, such as the Colombo Harbour Works and the Mannar Railway, such advances being repaid as further loans are raised. After the first portion of the loan raised under Ordinance No. 6 of 1909 had been exhausted, a sum of Rs. 2,736,933 was advanced to meet expenditure during the first half of 1911, and Rs. 4,006,587 to meet expenditure between July, 1911, and June, 1912.

Of the total fund of Rs. 29,409,559, a sum of Rs. 12,126,415, including the advance to loan works, had not been appropriated up to June 30, 1912. The commitments against the surplus balances, of which about 40 per cent. had been spent to June 30, 1912, include  $17\frac{1}{2}$  lakhs to be expended on roads and bridges, 38 lakhs for survey and settlement of land, 39 for the Chilaw Railway, 24 for rolling stock, 26 for the Badulla Railway, 15 towards the cost of deepening the Colombo Harbour, 22 for the Pelmadulla Railway, besides a number of smaller appropriations for other important public works.

*Expenditure.*

The ordinary expenditure of 1911-12, including the amount expended from surplus balances, totalled Rs. 44,637,100, or Rs. 5,377,143 less than the estimated expenditure.

The following is a comparative statement showing the actual expenditure in 1910-11 and 1911-12.

Heads of Service.	Expenditure for 18 Months, 1910-11.		Proportionate Expenditure for 12 Months, 1910-11.		Expenditure for 1911-12.		Increase.		Decrease.	
	Rs.	c.	Rs.	c.	Rs.	c.	Rs.	c.	Rs.	c.
1. Public Debt...	6,732,556	83	4,488,371	22	4,333,121	92	—	—	155,249	30
2. Military Expenditure	2,958,339	32	1,972,226	21	1,724,681	31	—	—	247,544	90
3. Pensions ..	2,070,921	72	1,380,614	48	1,474,528	23	93,913	75	—	—
4. Ecclesiastical ..	4,909	70	3,273	13	3,119	80	—	—	153	33
5. Exchange ..	471,903	20	314,602	13	322,026	36	7,424	23	—	—
6. His Excellency the Governor	273,837	34	182,558	23	183,981	87	1,423	64	—	—
7. Civil Service	1,480,918	19	987,278	79	1,014,191	80	26,913	1	—	—
8. Clerical Service	1,623,001	78	1,082,001	19	1,133,907	14	51,905	95	—	—
9. Secretariat ..	394,818	90	263,212	60	275,520	97	12,308	37	—	—
10. Controller of Revenue	2,874	7	1,916	5	2,996	13	1,080	8	—	—
11. Treasury ..	61,674	8	41,116	5	41,893	46	777	41	—	—
12. Audit Office	59,269	57	39,513	5	43,285	19	3,772	14	—	—
13. Provincial Administration	1,250,432	60	833,621	73	874,417	66	40,795	93	—	—
14. Settlement Officer under Waste Lands Ordinance ..	141,240	4	94,160	3	92,211	39	—	—	1,948	64
15. Survey Department	1,801,930	83	1,201,237	22	1,224,361	27	23,574	5	—	—
16. Government Stores	233,757	42	155,838	28	157,911	50	2,073	22	—	—
17. Immigration and Quarantine	302,718	28	201,812	19	218,290	55	16,478	36	—	—
18. Customs ..	258,554	18	172,369	45	227,583	74	55,214	29	—	—
19. Post Office ..	2,591,814	42	1,727,876	28	1,909,418	91	181,542	63	—	—
20. Forest Department	367,333	68	244,889	12	280,926	97	36,037	85	—	—
21. Railway Department	8,838,955	93	5,892,637	29	6,270,484	35	377,847	6	—	—
22. Port and Marine, Colombo ..	740,645	99	493,703	99	534,290	52	40,526	53	—	—
23. Port and Marine other than Colombo	55,215	22	36,810	15	37,270	32	460	17	—	—
24. Legal Departments:—										
Supreme Court	236,270	96	157,513	97	179,340	82	21,826	85	—	—
Attorney-General	113,586	66	75,724	44	78,351	10	2,626	66	—	—
Solicitor-General	20,438	15	13,625	43	13,840	35	214	92	—	—
District Courts	121,892	56	81,261	71	83,373	71	2,112	0	—	—
Courts of Requests and Police Courts	67,212	69	44,808	46	43,807	50	—	—	1,000	96
Registration of Lands	56,986	54	37,991	3	48,748	66	10,757	63	—	—
Registration of Marriages, Births, and Deaths...	150,186	82	100,124	55	109,609	19	9,484	64	—	—
Fiscals ..	309,810	28	206,540	19	228,123	50	21,583	31	—	—

25. Police ..	1,693,763 13	..	1,129,175 42	..	1,138,379 19	..	9,203 77	..	—
26. Prisons Department ..	826,668 21	..	551,112 14	..	544,131 54	..	—	..	6,980 60
27. Medical Department ..	3,602,000 96	..	2,602,000 64	..	3,118,576 28	..	516,576 64	..	—
28. Education ..	2,214,922 44	..	1,476,614 96	..	1,707,218 19	..	230,603 23	..	—
29. Botanic Gardens ..	227,928 1	..	151,952 1	..	147,697 8	..	—	..	4,254 93
30. Colombo Museum ..	50,448 58	..	33,632 39	..	42,099 20	..	8,466 81	..	—
31. Archaeological Commissioner ..	147,466 2	..	98,310 68	..	116,955 16	..	18,644 48	..	—
32. Veterinary Department ..	127,987 12	..	86,324 75	..	77,512 9	..	—	..	7,812 66
33. Agricultural Society ..	45,000 0	..	30,000 0	..	30,047 50	..	47 50	..	—
34. Mineralogical Survey ..	30,131 97	..	20,087 98	..	15,672 42	..	—	..	4,415 56
35. Inspector of Mines ..	25,802 33	..	17,201 55	..	16,590 55	..	—	..	611 0
36. Inspector of Factories ..	6,240 48	..	4,160 32	..	5,397 15	..	1,236 83	..	—
37. Registrar of Patents ..	6,278 53	..	4,185 69	..	4,402 37	..	216 68	..	—
38. Miscellaneous Services ..	1,472,101 88	..	981,401 25	..	1,460,388 35	..	478,987 10	..	18,786 67
39. Irrigation Department ..	570,221 40	..	380,147 60	..	361,360 93	..	—	..	—
40. Irrigation Annually Recurrent ..	187,891 33	..	125,260 89	..	130,029 69	..	4,768 80	..	—
41. Public Works Department ..	922,453 20	..	614,968 80	..	692,405 29	..	77,436 49	..	—
42. Public Works Annually Recurrent ..	4,151,934 97	..	2,767,956 65	..	2,890,124 46	..	122,167 81	..	—
43. Public Works Extraordinary ..	2,424,587 62	..	1,616,391 75	..	2,060,108 79	..	443,717 4	..	—
44. Irrigation Extraordinary ..	292,407 52	..	194,938 35	..	208,879 5	..	13,940 70	..	—
45. Railway Works Extraordinary ..	1,580,318 63	..	1,053,545 75	..	1,584,412 5	..	530,866 30	..	—
Total Expenditure from General Revenue, Heads 1 to 45 ..	54,701,562 28	..	36,467,708 21	..	39,518,503 52	..	3,499,553 86	..	448,758 55
46. Works chargeable to Surplus Balances :—		..		..		..		..	
Protection of Sea Coast Railway Line ..	96,291 1	..	64,194 1	..	59,906 76	..	—	..	4,287 25
Kalutara Bridge ..	46,680 41	..	31,120 27	..	27,823 35	..	—	..	3,296 92
Negombo Railway ..	18,268 11	..	12,178 74	..	5,208 90	..	—	..	6,969 84
Colombo Defences ..	211,567 27	..	141,044 85	..	127,502 88	..	—	..	13,541 97
Printing Office ..	198,445 62	..	132,297 8	..	12,022 35	..	—	..	120,274 73
Completion of Interlocking Points and Signals ..	163,758 82	..	109,172 55	..	62,622 91	..	—	..	46,549 64
Fitting existing Rolling Stock with Vacuum Brakes ..	102,471 62	..	68,314 41	..	76,052 5	..	7,737 64	..	—
Colombo Customs (Quay Wall and Jetties) ..	162,901 14	..	108,600 76	..	65,065 42	..	—	..	43,635 34
Warehouses, Colombo Customs ..	11,290 82	..	7,527 21	..	450 50	..	—	..	7,076 71
Bandarawela Motor Mail Service ..	—	..	—	..	69,610 82	..	69,610 82	..	—
Bandarawela-Badulla Railway Survey ..	—	..	—	..	25,865 69	..	25,865 69	..	—
Acquisition of Captain's Garden ..	—	..	—	..	356,016 61	..	356,016 61	..	—
Allowance to Public Officers stationed in Colombo ..	—	..	—	..	336,827 68	..	336,827 68	..	—
Deepening Colombo Harbour ..	—	..	—	..	19,679 29	..	19,679 29	..	—



Heads of Service.	Expenditure for 18 Months, 1910-11.		Proportionate Expenditure for 12 Months, 1910-11.		Expenditure for 1911-12.		Increase.		Decrease.	
	Rs.	c.	Rs.	c.	Rs.	c.	Rs.	c.	Rs.	c.
Police Stations ..	108,912	34	..	72,608	23	..	79,481	42	..	..
Nuwara Eliya Lighting ..	145,160	34	..	96,773	56	..	—	—	49,718	12
Underground Telephone Cables for Colombo	127,700	72	..	85,133	81	..	—	—	76,334	6
Telephone Trunk Line, Peradeniya Junction to Campola, Hatton, and Nanu-oya ..	114,126	36	..	76,084	24	..	—	—	76,084	24
Hospitals ..	174,453	42	..	116,302	28	..	—	—	50,077	50
Precautions against Infectious Diseases	74,670	1	..	49,780	1	..	—	—	—	—
Roads and Bridges ..	401,643	8	..	267,762	5	..	30,595	37	4,630	80
Royal College ..	59,421	81	..	39,614	54	..	—	—	—	—
Survey and Settlement ..	611,481	38	..	407,654	25	..	50,720	1	—	—
Improvements to Northern Railway Line	269,886	0	..	173,257	34	..	23,472	63	—	—
Water Supply to Minor Towns—							26,742	66	—	—
Galle ..	79,937	88	..	53,291	92	..	—	—	32,340	35
Mannar..	3,991	32	..	2,460	88	..	—	—	—	—
Diyatalawa ..	3,947	9	..	2,631	39	..	—	—	—	—
Railway to Chilaw ..	127,682	49	..	85,121	66	..	1,335,231	6	—	—
Rolling Stock for Railway ..	943,810	78	..	629,207	19	..	311,613	52	—	—
Wireless Telegraphy ..	860	81	..	573	87	..	82,782	48	—	—
Extension to General Treasury ..	2,281	51	..	1,521	1	..	41,186	51	—	—
Biological Laboratory, Medical College	1,330	0	..	886	66	..	20,635	30	—	—
Total Expenditure on Works chargeable to Surplus Balances, Head 46 ..	4,252,672	16	..	2,835,114	77	..	2,818,198	69	534,717	47

## Summary of ordinary Expenditure.

From	1910-11 (12 Months).		1911-12.		Nett Increase.
	Rs.	c.	Rs.	c.	
General Revenue	..	36,467,708 21	..	39,518,503 52	..
Surplus Balances..	..	2,835,114 77	..	6,118,595 99	..
Grand Total	..	39,302,822 98		44,637,099 51	5,334,276 53

Taking a two-thirds proportion of the figures for the eighteen months of 1910-11 as the ordinary expenditure for the twelve months ending June 30, 1911, it will be seen that the expenditure of 1911-12, exclusive of expenditure from surplus balances, is in excess of that for the previous twelve months by Rs. 3,050,795.

There is a decrease of  $1\frac{1}{2}$  lakhs under Public Debt, which is accounted for by the fact that in the year under review there was no payment made in respect of the loan of £250,000 raised from the Public Works Loan Commissioners, the last annuity thereon having been paid off in the previous year. There is also a decrease of nearly  $2\frac{1}{2}$  lakhs under Military Expenditure, which is explained by the payment during the previous year of arrears of increased rates for 1909, 1910, and 1911 in respect of military contribution to the Imperial Government.

There is an increase under nearly all the other heads. That of Rs. 180,000 under Post Office is mainly due to the all-round expansion of the work of the Department, but includes notable additions under the sub-heads of Delivery of Telegrams, Telegraph Extensions, and Telephone Extensions. The Railway Department shows an all-round increase of Rs. 377,000. The Medical Department is responsible for an increase of over 5 lakhs. Of this, the working of the Opium Ordinance absorbed nearly Rs. 17,000, and expenses on account of a cholera outbreak involved the expenditure of an additional Rs. 17,000 odd. In an unusually unhealthy year Purchase of Medicines showed an increase of nearly 2 lakhs, while there was a general increase of expenditure on Hospitals. Education shows an increase of Rs. 230,000. Under Public Works Extraordinary there is an increase of over 4 lakhs, of which 2 lakhs odd were expended on the acquisition of land in Colombo in connection with the expansion of the headworks of the Railway. The largest increase of all, under Railway Works Extraordinary, amounts to Rs. 530,000 odd, of which over 2 lakhs were devoted to the provision of new engines. The increase of Rs. 470,000 under Miscellaneous Services includes expenditure in connection with the Excise Commission, the representation of Ceylon at the Delhi Durbar, the local Coronation celebrations, the election of members of the Legislative Council, and the investigation of sprue, while over  $2\frac{1}{2}$  lakhs were expended in compensating Municipalities and Road Committees for the abolition of road and bridge tolls.

Works chargeable to Surplus Balances show an expenditure of 51 lakhs out of 61 provided in the Estimates, or an increase of nearly 23 lakhs over the proportionate figure for the preceding twelve months, and of nearly 9 lakhs over the actual expenditure of the eighteen months of 1910-11. The principal items of expenditure were the acquisition of Captain's Garden, Colombo, to provide for the expansion of the headworks of the Railway; the payment of the special allowance recently granted to public officers stationed in Colombo; the railway extension to Chilaw; and the provision of rolling stock for the Railway.

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As apart from ordinary expenditure, the following comparative statement shows the expenditure during the twelve months on Public Works Extraordinary chargeable to Loan Funds (which was met by advances from surplus balances pending the raising of a further loan) as compared with the expenditure during 1910-11 :—

	1910-11 (18 Months).		1910-11 (12 Months proportionately).		1911-12 (12 Months).	
	Rs.	c.	Rs.	c.	Rs.	c.
Colombo Harbour Works ..	1,130,482	4	753,654	69	1,210,512	50
Colombo Stations Extensions ..	494,767	13	329,844	75	371,600	7
Ratnapura Railway ..	1,197,235	76	798,157	17	324,743	62
Duplication of Line, Ragama to Moratuwa ..	968,950	68	645,967	12	437,489	13
Colombo Lake Development ..	43,233	68	28,822	45	108,548	63
Karaiur Reclamation, Jaffna ..	19,419	90	12,946	60	38,631	17
Irrigation Works ..	176,743	57	117,829	4	70,410	97
Mannar Railway ..	3,367,172	87	2,244,781	91	1,108,166	95
Expenses of raising Loan (Ordinance No. 6 of 1909) ..	163,307	44	108,871	62	—	
Colombo Drainage Works, 2nd Series ..	499,515	93	333,010	62	305,610	0
Motor Traction as feeders to Railway ..	—		—		1,057	94
Additional Engines and Rolling Stock ..	—		—		29,816	90
Total ..	8,060,829	0	5,373,885	97	4,006,587	88

#### (B) ASSETS AND LIABILITIES.

The assets of the Colony on June 30, 1912, were Rs. 35,154,678, and the liabilities Rs. 12,488,640, the assets thus exceeding the liabilities by Rs. 22,666,038. Further, a sum of Rs. 6,743,521 had been advanced from surplus balances for Harbour, Railway, and Irrigation expenditure, which will ultimately be charged to loan.

Of the assets, a sum of—

Rs. 6,854,805 was in cash in the hands of the Treasurer, the Government Agents, the local banks, and the Crown Agents in London ;  
 Rs. 15,453,720 in investments ;  
 Rs. 8,486,704 advanced for the Colombo Drainage Works ;  
 Rs. 2,018,993 in stores ;  
 Rs. 1,110,202 in loans to Local Bodies ; and  
 Rs. 781,866 in miscellaneous advances.

The chief liabilities were—

	Rs.
Widows' and Orphans' Pension Fund ..	6,590,765
General Deposits ..	4,349,544

#### (c) PUBLIC DEBT.

On June 30, 1912, the public debt of Ceylon stood as follows :—

	£
Nett Sterling Debt ..	5,038,570
Nett Silver Debt (Rs. 2,434,260) ..	162,284
Total indebtedness ..	£5,200,854

The following table exhibits in sterling the revenue and nett amount of debt during each of the last six years :—

Year.			Revenue. £		Nett Amount of Debt. £
1905	..	..	2,293,022	..	4,386,039
1906	..	..	2,335,377	..	4,304,396
1907	..	..	2,438,255	..	4,194,434
1908	..	..	2,371,523	..	4,090,229
1909	..	..	2,622,190	..	4,444,381
1910-11 (proportionate for 12 months)	..	..	2,916,117	..	5,312,419
1911-12..	..	..	3,149,748	..	5,200,854

It will be noticed that the total indebtedness is less than twice the annual revenue.

With the exception of the loan of Rs. 300,000 (£20,000) borrowed from the Ceylon Savings Bank, which is repayable by an annuity of Rs. 20,000 (£1,333. 6s. 8d.), provision is made for the repayment of all loans by a sinking fund of 1 per cent.

Out of the 3½ per cent. loan of £3,436,854 authorized by Ordinance No. 6 of 1909 to meet the cost of the Colombo Harbour and Drainage Works, the Mannar Railway, and other railway and public works, a sum of £1,500,000 has already been raised, the price of issue being 98½ per cent. It is not considered necessary at present to raise any further portion of the loan, as the surplus balances of the Colony admit of advances being made to works chargeable to the loan, in anticipation of settlement when the balance or a further portion of the loan is raised.

#### (D) CURRENCY AND BANKING.

The currency of Ceylon consists of—

Copper : Ceylon 1-cent and ½-cent pieces, 6½ cents being equivalent to 1d. English.

Nickel : Ceylon 5-cent piece.

Silver : Indian rupee (= 100 cents), equivalent to 1s. 4d. English; and Ceylon 50-cent, 25-cent, and 10-cent pieces.

Gold : British sovereigns, which are legal tender at Rs. 15 to the sovereign.

Ceylon Government currency notes of Rs. 1,000, 100, 50, 10, and 5.

On June 30, 1912, the value of currency notes in circulation was Rs. 21,146,720, the currency reserve on that date being distributed as follows :—

				Rs.	c.
Gold (£135,000)	..	..	..	2,025,000	0
Rupees	..	..	..	7,248,207	14
Small silver	..	..	..	375,000	0
British investments	..	..	..	435,000	0
Colonial investments	..	..	..	5,323,048	77
Indian investments	..	..	..	5,740,464	9

The Chartered Bank of India, Australia, and China; the Hong Kong and Shanghai Banking Corporation; the Bank of Madras; the Mercantile Bank of India, Limited; and the National Bank of India, Limited, do business in the Colony.

## (E) MUNICIPALITIES.

The following is a comparative statement of the total revenue and expenditure of the Municipalities for the five years ended December 31, 1911 :—

*Colombo.*

Year.	Revenue.		Expenditure.	
	Rs.	c.	Rs.	c.
1907	2,382,259	12*	2,217,100	86
1908	1,884,133	4	1,846,000	97
1909	1,848,294	12	2,068,958	38
1910	2,260,049	41	2,191,141	42
1911	2,662,823	36	2,466,953	17

*Kandy.*

1907	224,196	41	192,736	5
1908	226,646	54	189,138	78
1909	180,602	94	165,850	27
1910	224,346	80	225,323	32
1911	245,473	66	245,088	6

*Galle.*

1907	129,637	81	116,578	59
1908	141,984	46	132,461	36
1909	156,051	80	192,656	31
1910	135,329	75	156,856	28
1911	154,342	21	144,680	6

\* The revenue of the Colombo Municipality for 1907 includes a sum of Rs. 600,000 advanced by Government on account of Drainage Works.

Below will be found a statement of the debts of the Municipalities up to June 30, 1912, showing provision for payment :—

Amount of Debt outstanding.	On what Account.	Provision for Payment.
Rs. c. (See below)	<i>Colombo.</i>	—
121,313 67	.. <i>Kandy.</i> .. Waterworks construction	Water-rate of 6 per cent. on properties within certain portions of the Municipality (Ordinances Nos. 18 and 29 of 1884).
105,402 98	.. Acquisition of lands above reservoir; repairs to main sewer and other various works	Bond assigning portion of water-rate as authorized by Ordinance No. 7 of 1887; also portion of rates and taxes.
18,000 0	.. To widen Victoria Drive and clear lake silt	Bond assigning portion of rates and taxes under sections 127 (a) and (b), 128, 129, and 130 of Ordinance No. 7 of 1887.
246,445 90	.. <i>Galle.</i> .. Construction of waterworks	A water-rate of 5 per cent. is levied within the Fort for repayment of loan.
37,840 82	.. Sanitary improvements	Mortgage of stamp duties on licenses for carts, boats, and coaches, and also stamp duties under Licensing Ordinances of 1893 and 1897.
529,003 37		

As regards the Municipality of Colombo, a sum of Rs. 8,486,703.68 has been advanced by the Government towards the cost of the Mansergh Drainage and Sewerage Scheme. The construction of the Colombo Waterworks and the Victoria Bridge was carried out by Government, and the Municipality has undertaken to repay Government an annual sum of Rs. 100,000 until 1924 in respect of the former, and of Rs. 8,000 until 1945 for the latter.

## (F) LOCAL BOARDS.

There are twenty-one Local Boards in Ceylon. The Boards are entrusted with the maintenance of public health and the general improvement and conservancy of the towns in which they are established. Their sources of revenue are an assessment tax on real property, taxes on vehicles and animals, road commutation tax, stamp duties for various licenses, and fines for breaches of by-laws, &c.

In 1911 the total revenue of these Boards amounted to Rs. 596,425, as against Rs. 448,420 in 1910; and the total expenditure to Rs. 488,073, as against Rs. 436,933 in 1910.

Loans are made to Local Boards, usually at  $3\frac{1}{2}$  to  $4\frac{1}{2}$  per cent. interest and 2 per cent. sinking fund, for approved purposes, such as waterworks, drainage, erection of markets, &c., on the security of their revenue. Loans outstanding on June 30, 1912, amounted to Rs. 484,947.

## II.—TRADE, AGRICULTURE, AND INDUSTRIES.

## (A) IMPORTS AND EXPORTS.

*Trade in General.*

The total value of Ceylon trade in the year 1911 once again exceeded that of any previous year, as will be seen from the following table :—

Aggregate Value of Imports and Exports for the last Ten Years (omitting Specie, but including Coal exported for the use of Steamers).

Year.	Lakhs of Rupees.	Year.	Lakhs of Rupees.
1902 .. ..	2,086	1907 .. ..	2,631
1903 .. ..	2,144	1908 .. ..	2,648
1904 .. ..	2,198	1909 .. ..	2,853
1905 .. ..	2,240	1910 .. ..	3,321
1906 .. ..	2,363	1911 .. ..	3,523

The Customs revenue collected in 1911 showed an advance of Rs. 993,455, as compared with 1910. Between 1901 and 1911 the increase has amounted to Rs. 5,542,287, or 61·3 per cent.

The chief source of this revenue in 1910 and 1911 was the import duty on—

	1910.	1911.
	Rs.	Rs.
Grain .. ..	3,895,860	3,856,615
Spirits .. ..	1,614,820	1,974,002
Kerosine Oil ..	1,157,118	1,362,388
Sugar .. ..	1,037,847	1,125,417
Cotton Goods ..	425,128	450,926

The total trade of the Colony, excluding specie and coal exported for use of steamers, amounted to Rs. 337,513,065, an increase of Rs. 20,845,810, or 6·6 per cent. over 1910, compared with an increase of Rs. 44,326,027 (16·3 per cent.) during the previous period.

The following table gives details for the last ten years of the annual value of the trade of the Colony, omitting specie and the value of coal for the use of steamers :—

Year.	Exports.			Total.	Total of Imports and Exports, omitting Specie and the Value of Coal for use of Steamers.
	Imports.	Produce and Manufacture of the Colony.	British, Foreign, and other Colonial Produce and Manufacture.		
	Rs.	Rs.	Rs.	Rs.	Rs.
1902 ..	97,883,263 ..	96,771,467 ..	1,462,923 ..	98,234,390 ..	196,117,653
1903 ..	100,889,372 ..	100,871,556 ..	1,356,167 ..	102,227,723 ..	203,117,095
1904 ..	105,324,719 ..	99,894,461 ..	1,214,415 ..	101,108,876 ..	206,433,595
1905 ..	108,324,328 ..	100,898,551 ..	1,291,158 ..	102,189,709 ..	210,514,037
1906 ..	112,789,269 ..	108,248,232 ..	1,463,412 ..	109,711,644 ..	222,500,913
1907 ..	120,061,934 ..	127,095,587 ..	2,272,604 ..	129,368,251 ..	249,430,185
1908 ..	122,420,393 ..	127,015,846 ..	1,946,310 ..	128,962,156 ..	251,382,549
1909 ..	125,441,597 ..	144,121,334 ..	2,778,297 ..	146,899,631 ..	272,341,228
1910 ..	150,195,648 ..	160,771,277 ..	5,700,330 ..	166,471,607 ..	316,667,255
1911 ..	156,986,106 ..	170,110,905 ..	10,416,054 ..	180,526,959 ..	337,513,065

It will be noticed from the above table that for the last five years the value of the exports has materially exceeded that of the imports. This is due practically entirely to the weighty influence of the valuable new export, rubber. In 1906, the last year when imports exceeded exports, the value of the rubber exports was only Rs. 1,527,539; in 1911 it was Rs. 28,356,056, exclusive of 8 millions of rupees worth of Straits and Indian rubber transhipped here. The balance in favour of exports was in 1911 Rs. 23,540,000.

An analysis of the distribution of the trade of Ceylon as between the United Kingdom, British Colonies, and foreign countries during the past three years gives the following figures (omitting imports of rubber, specie, and coal exported for the use of steamers) :—

	1909.	1910.	1911.
Percentage of total trade of Ceylon taken by—			
United Kingdom ..	38·79 ..	38·03 ..	39·31
British Colonies ..	36·35 ..	34·57 ..	33·37
Foreign Countries ..	24·86 ..	27·4 ..	27·32

Percentage of import trade of Ceylon taken by—			
United Kingdom ..	26·38 ..	28·32 ..	28·3
British Colonies ..	61·13 ..	58·77 ..	57·71
Foreign Countries ..	12·49 ..	12·91 ..	13·99

Percentage of export trade of Ceylon taken by—			
United Kingdom ..	49·23 ..	46·49 ..	48·39
British Colonies ..	15·52 ..	13·49 ..	13·29
Foreign Countries ..	35·25 ..	40·02 ..	38·32

In the import trade foreign countries have steadily advanced, while the United Kingdom is in much the same position as in 1910. In exports the United Kingdom showed an advance over 1910, but the figures were below those of 1909, the percentage for foreign countries being less than in 1910, but more than in 1909. The percentage of trade with British Colonies has declined under both heads.

#### Imports.

There were advances under practically all heads, especially noteworthy being those under Cotton, Metals, Manures, Sugar, and Kerosine Oil.

*Biscuits and Confectionery.*—The imports of *biscuits* rose 17 per cent. i.e., from 1,265,938 lb. in 1910 to 1,485,805 lb. The import of *confectionery* was 1,091,634 lb., or 20 per cent. more than in the preceding year.

**Cement.**—The activity in the building trade is strikingly illustrated by the increase in the demand for cement, the number of hundredweights imported in 1911 (361,088) being nearly 39 per cent. more than in 1910.

**Coal** imports have decreased from 801,379 tons in 1910 to 665,047 tons in 1911.

**Cotton, Manufactured and Raw.**—The setback to the cotton trade which occurred in 1909—when imports dwindled from Rs. 10,168,933 to Rs. 8,645,079—was amply atoned for in 1911, the value of such imports rising Rs. 1,085,000 over the previous highwater mark of 1908 and reaching over 11 millions of rupees. The recovery is well distributed over bleached, gray, and printed piece goods from the United Kingdom; dyed piece goods from the United Kingdom, Germany, Belgium, and Holland; and “other” piece goods from the United Kingdom and Germany.

**Grain.**—The quantity of rice cleared for home consumption during the year was slightly more than in the previous period, the figures being: 1910, 6,877,568 cwt.; 1911, 6,897,034 cwt.

**Horses and Motor Cars.**—The number of motor cars imported during the year was 213, as against 151 in 1910, 75 in 1909, and 89 in 1908.

The ever-increasing popularity of motoring is reflected in the imports of *petrol*. The following are the figures since 1909:—1909, 66,208 gallons; 1910, 136,646 gallons; 1911, 206,028 gallons.

Only 483 *horses* were imported in 1911, as against 796 in 1910.

From May 1, 1911, no horse can be imported into Ceylon without production of a certificate of inspection by a qualified veterinary surgeon at the port of shipment. Horses have also to be inspected by the Municipal Veterinary Inspector before landing.

**Kerosine oil** imports amounted to 4,427,074 gallons, of which 2,737,854 consisted of bulk oil and the balance case oil. Both kinds shared in the activity of the market.

**Lamps.**—The total number imported was 204,843, as against 206,416 in 1910. The total value was, however, slightly more than in 1910. The average value entered at the Customs ranged from about Re. 1.50 for English lamps to 6 cents for small glass kitchen lamps from Japan.

**Metals and Metalware.**—The total value of imports was Rs. 7,576,465, an increase of Rs. 341,661 over 1910.

The most noticeable increases were in *hardware* (1½ lakhs), *tea lead* (1½ lakhs), *steelware* (nearly 1 lakh), and *cast steel* (¾ lakh); but there were also some remarkable decreases, as in *pig lead* (1¾ lakhs) and *hoop iron* (1 lakh).

**Manure** imports continue to expand rapidly. The total quantity imported in 1911, viz., 80,000 tons, is more than five times the quantity imported ten years ago. Fish manure alone now accounts for nearly 20,000 tons, or far more than the total of all manures in 1901. The other manures which contribute mainly to this year's total are castor seed poonac (12,000 tons), ground nut cake (10,500 tons), and rape seed poonac (6,500 tons).

**Silk manufactures of all kinds** show a marked advance of 27 per cent., the figures being: 1910, Rs. 523,166; 1911, Rs. 664,444.

**Spirits.**—The imports rose from 313,866 gallons in 1910 to 333,205 gallons in 1911.

The imports of brandy have increased in value over 1910 by 13 per cent. and gin by 10 per cent., while whisky shows a slight decrease.

**Sugar.**—The imports of candy and refined sugar showed an increase of 29,678 cwt. (or about 9 per cent.) on the imports of the previous year. Java and Hong Kong, the two chief suppliers, sent together 87 per cent. of the total for 1911. Palm and jaggery and unrefined sugar have increased less markedly.



*Tobacco, Cigars, and Cigarettes.*—The increase of the duty on manufactured tobacco from 40 cents a pound to Re. 1·40 a pound (i.e., an increase of 250 per cent.) sent the imports down with a run. Cigars and cigarettes also show a decrease. The figures as compared with last year are :—

		Cigars and Cigarettes. lb.		Manufactured Tobacco. lb.		Total. lb.
1910	..	258,571	..	117,873	..	376,444
1911	..	215,756	..	38,788	..	254,544

*Wines.*—There was an increase of 3,504 gallons in the total quantity cleared for home consumption, due principally to a greater demand for port.

The following table shows the relative positions of the various countries which export goods to Ceylon (the percentages being percentages of value) :—

Countries.	1909. Per Cent.	1910. Per Cent.	1911. Per Cent.
British India ..	40·72	43·83	46·92
United Kingdom ..	25·97	27·35	26·84
Straits Settlements ..	10·42	6·9	5·75
Germany ..	2·63	2·77	3·11
Burma ..	4·44	4·73	2·96
United States of America ..	·86	1·05	1·39
Japan ..	1·37	1·17	1·38
Maldiv Islands ..	1·96	1·45	1·34
Hong Kong ..	1·63	1·21	1·3
Java ..	·78	1·19	1·25
Holland ..	·58	·62	·82
France ..	·7	·68	·82
Belgium ..	·56	·62	·76
Austria ..	·85	·68	·61
India (excluding British) ..	·47	·42	·53
South Australia ..	·51	·64	·5
Victoria ..	·52	·57	·5
Russia in Asia ..	·81	·07	·44
Switzerland ..	·46	·38	·43
Borneo (excluding British) ..	·24	1·1	·39
Siam ..	·68	·7	·39
Italy ..	·31	·31	·38
New South Wales ..	·12	·16	·17
Western Australia ..	·43	·32	·17
Sweden ..	·18	·23	·16
China (excluding Hong Kong) ..	·26	·12	·14

If we exclude India, whose pride of place is of course due to the enormous supplies of rice and other food stuffs for the native population, the most striking feature of the table is the easily maintained pre-eminence of the United Kingdom, in spite of all foreign competition. She possesses nearly nine times the trade of the nearest foreign rival. That rival, however (Germany), is steadily advancing, and her place in the table should really be third, as a large proportion of the figure for imports from the Straits represents rubber, which is of course an "import" only in name, being soon transhipped again.

### Exports.

Ceylon's chief export products in order of value are as follows :—

Lakhs of Rupees.				Lakhs of Rupees.			
		1910.	1911.			1910.	1911.
Tea ..	792	..	849	Coir fibre ..	16	..	13
Rubber ..	196	..	283	Coconuts ..	12	..	11
Copra ..	127	..	131	Coir yarn ..	11	..	11
Coconut oil ..	173	..	131	Citronella oil ..	12	..	10
Desiccated coconuts ..	56	..	70	Poonac ..	13	..	9
Plumbago ..	79	..	66	Tobacco ..	3	..	8
Arecanuts ..	27	..	24	Cardamoms ..	6	..	6
Cocoa ..	24	..	23				

Taking the various products of the coconut palm separately, as above, it will be seen that rubber now easily takes second place, and bids fair soon to reach the head of the table. Coconut oil, plumbago, and cardamoms have each fallen a place; while copra, desiccated coconuts, and tobacco have correspondingly improved their position. Poonac has fallen from the tenth to the thirteenth place; while coir yarn has risen from the thirteenth to the eleventh place. If, on the other hand, its products be taken together, the coconut palm still retains the second place, with a total of 380 lakhs in 1911, as against 412 in 1910, the decrease being chiefly accounted for by the drop in coconut oil.

Tea exports show an increase on 1910, but just failed to reach the high quantity level of 1909. The average price was higher in 1911 than in 1910. The quantity figures for the last few years exhibit a noteworthy stability :—

		Million of lb. exported.			Million of lb. exported.
1907	..	182	1910	..	182
1908	..	180	1911	..	186
1909	..	192			

The following table shows the comparative distribution, 1910 and 1911 :—

Principal Markets for Ceylon Tea.

	1910. lb.	1911. lb.	Increase. lb.	Decrease. lb.
United Kingdom	108,432,182	112,510,272	4,078,090	—
British Colonies—				
British India	1,413,595	1,670,310	256,715	—
Canada	7,132,799	8,102,728	969,929	—
Cape Colony	484,754	530,542	45,788	—
Hong Kong	216,054	432,297	216,243	—
Malta	225,181	214,504	—	10,677
Natal	862,797	962,270	99,473	—
Newfoundland	246,627	212,064	—	34,563
New South Wales	8,809,679	8,099,003	—	710,676
New Zealand	4,522,594	4,661,226	138,632	—
Queensland	906,944	1,054,964	148,020	—
South Australia	1,170,751	1,183,966	13,215	—
Straits Settlements	504,480	511,082	6,602	—
Victoria	6,975,616	6,313,601	—	662,115
West Australia	767,556	704,312	—	63,244
Other British Possessions..	387,431	444,517	57,086	—
Total British Possessions..	34,626,858	35,097,286	1,951,703	1,481,275
		Deduct Decrease	1,481,275	
		Nett Increase	470,428	
Foreign Countries—				
Austria	148,928	235,038	86,110	—
China (excluding Hong Kong)	6,030,900	5,569,550	—	461,350
Egypt	296,349	327,957	31,608	—
France	821,657	771,784	—	49,873
Germany..	550,179	663,453	113,274	—
Russia in Asia	7,034,868	8,253,306	1,218,438	—
Russia in Europe	15,699,984	12,174,367	—	3,525,617
Turkey	104,049	125,921	21,872	—
United States	7,644,873	10,151,479	2,506,606	—
Other Foreign Countries	679,267	713,642	34,375	—
Total Foreign Countries	39,011,054	38,986,497	4,012,283	4,036,840
		Deduct Increase	4,012,283	
		Nett Decrease	—	24,557
Grand Total	182,070,094	186,594,056	4,523,961	—

The principal increases were in exports to the United Kingdom, the United States of America, Russia in Asia, and Canada; while the principal decreases were under Russia in Europe, New South Wales, Victoria, and China.

The total exports of *green tea* in 1911 were 8,657,117 lb., as against 6,441,242 lb. in 1910.

*Products of the Coconut Palm.*—The total value of the exports under this head was 380 lakhs, as against 412 lakhs in 1910. The three principal products are coconut oil, copra, and desiccated coconuts. The first of these shows a decrease in the quantity exported. The exports of the other two beat all previous records:—

	Desiccated Coconuts.		Copra.		Coconut Oil.		Desiccated Coconuts.		Copra.		Coconut Oil.
	Cwt.		Cwt.		Cwt.		Cwt.		Cwt.		Cwt.
1908..	244,734	..	768,795	..	670,121	1910..	242,286	..	758,711	..	619,680
1909..	230,791	..	784,522	..	599,795	1911..	292,210	..	821,814	..	505,016

The average price for coconut oil was Rs. 26·03 per cwt., and is the highest for the last five years, with the exception of 1910. During the year the price of copra ranged from Rs. 62·75 to Rs. 93·50 per candy.

*Rubber.*—Ceylon exported nearly twice as much rubber in 1911 as in 1910, the actual figures being—

					Cwt.
1910	..	..	..	..	33,952
1911	..	..	..	..	61,212

These figures may be contrasted with an export of only 676 cwt. seven years ago, and about 10,000 cwt. in 1908. The area now under rubber, alone or with other products, is said to be over 200,000 acres. Only ten years ago it was no more than 1,750 acres.

The distribution of the rubber among the two largest buyers is as follows for the past two years:—

			1910.		1911.
			Per Cent.		Per Cent.
United Kingdom	..	..	54·84	..	55·59
United States of America	..	..	41·35	..	29·44

The average value entered in 1911 was Rs. 4·13 per lb., as against Rs. 5·16 per lb. in 1910.

The new Medical Aid Ordinance enacted in 1910 provides for an export levy on rubber, similar to that derived from tea. Up to date, however, no duty has been actually imposed.

The following table gives the proportions of Ceylon produce and manufactures taken by the principal countries during the last three years:—

Countries.		1909.		1910.		1911.
		Per Cent.		Per Cent.		Per Cent.
United Kingdom	..	49·95	..	47·41	..	48·61
United States of America	..	11·38	..	13·52	..	13·89
Germany	..	0·86	..	9·72	..	9·44
Russia in Europe	..	5·57	..	6·27	..	5·02
Belgium	..	2·6	..	2·43	..	3·23
British India	..	3·77	..	2·83	..	2·88
New South Wales	..	2·88	..	2·51	..	2·37
Canada	..	2·48	..	2·01	..	2·27
Russia in Asia	..	1·06	..	1·9	..	2·21
Victoria	..	2·38	..	2·16	..	1·95
China (excluding Hong Kong)	..	2·14	..	1·65	..	1·5
New Zealand	..	1·45	..	1·29	..	1·34
Austria	..	2·23	..	1·38	..	·54
France	..	·47	..	·58	..	·51
South Australia	..	·42	..	·35	..	·35
Queensland	..	·29	..	·29	..	·34
Natal	..	·21	..	·31	..	·32
Straits Settlements	..	·37	..	·37	..	·32
Holland	..	·41	..	·31	..	·3

Belgium, which occupied the seventh place in 1910, is now fifth in the list. The United Kingdom has improved her percentage over last year.

*Customs Duties.*

All imports not specially rated or exempted by the Tariff are liable to a Customs duty of 5½ per cent. *ad valorem*

Tea, cocoa, and coffee are liable to an export duty of 10 cents per cwt., and cinchona to an export duty of 5 cents per cwt. under the Medical Wants Ordinance; and by a recent amendment of that Ordinance such products as rubber, cardamoms, coca, camphor, and pepper may also be similarly taxed. These additional products have not, however, at the time of writing been subjected to any tax.

**(B) MINES, MANUFACTURES, AND FISHERIES.***(a) Pearl Fishery.*

No pearl fishery was held during the year under review, and it is uncertain when the next fishery may be held. The last was held in 1907. This was the second fishery held after the lease of the pearl banks to the Ceylon Company of Pearl Fishers, Ltd., but the first actually carried out by the Company. Since then the periodical inspections of the pearl banks made by the Company showed an absence of oysters or spat, and it is estimated that at least a period of three years must elapse before another fishery can take place. Meanwhile the Company found that its remaining funds were insufficient to meet its obligations under the lease during the next three barren years and accordingly approached Government for a modification of the terms of payment of the annual rent. The matter was under consideration at the end of the year, and the lease was eventually terminated in 1912.

*(b) Mineralogical Survey.*

In accordance with the scheme drawn up for the continuance of the survey, an examination was begun in 1911 of the areas which, according to previous reports, gave most promise of being adapted for commercial exploitation. The alluvial deposits of the Weralupe, We, and Getahetta rivers in the Province of Sabaragamuwa were thoroughly tested, to determine whether the gold, thoria minerals, and gems contained in them could be worked profitably by modern methods of alluvial mining. The result was to show that the valuable minerals, with the exception of gem stones, are too irregularly distributed, and occur in too small a quantity to be worked at a profit. The examination of a reputed tin-bearing area in the Kuruwita valley gave an equally unfavourable result.

In July both officers of the survey contracted enteric fever, from which the Assistant Surveyor, Mr. F. D. Paisley, died in August. The Principal Surveyor was in hospital till October, and in the following month left for home to recruit on four months' leave. The field operations of the survey were, therefore, completely suspended during the second half of the year.

*(c) Mining.*

*Plumbago*.—Plumbago provides the only form of mining proper in Ceylon. Approximately 450 plumbago mines in all were worked during the twelve months, giving employment to some 1,100 men. Of these, three only are in European hands. Generally speaking, the methods employed are primitive, though some of the larger mines are adopting more up-to-date appliances. The mining centres are situated in the Southern, Western, Sabaragamuwa, Central, and North-Western Provinces. In the last-named Province some mines have been sunk to a depth of nearly 200 fathoms, and there is every indication of their being sunk to even greater depths with increased success.

The state of the plumbago market during the latter part of 1911 being very dull most of the small pits stopped work, and only in the larger mines was work continued throughout the year. In nearly all the Provinces the lands on which large numbers of shallow pits had been sunk have now been abandoned, the plumbago therein having been extracted; and it may be anticipated that gradually the small pits worked by villagers will cease to exist, and only deep mining be resorted to.

The quantity exported decreased from 630,551 cwt. in 1910 to 538,973 cwt. in 1911. Of this total, the United States of America took 41 per cent. as against 51 per cent. in 1910, Germany 27 per cent. as against 20, the United Kingdom 19 per cent. as against 16, and Belgium 9 as against 8 per cent. Prices were low, and the demand poor. The falling off in the export to America may be attributable in part to depression in the steel trade, but there is no doubt that the competition of the Korean product has made itself felt. It is, however, noteworthy that Japan imported 814 cwt. of Ceylon plumbago, as against 35 cwt. in 1910.

*Gemming.*—With the exception of moonstones and garnets, gems are not obtained *in situ* in Ceylon, but from gravels deposited by streams and rivers. There are two large moonstone pits in the Kandy District. Other precious stones, such as rubies, cat's-eyes, sapphires, &c., are gemmed chiefly in the Ratnapura District.

#### (d) *Salt.*

The manufacture and collection of salt is a Government monopoly. A sum of Rs. 1,631,380·59 was realized by its sale in 1911, as compared with Rs. 1,530,570·26 in 1910 and Rs. 1,520,647·95 in 1909. The year was favourable for the production of salt, except at Trincomalee, where manufacture failed owing to premature rain. At Puttalam, which is the largest producing centre, manufacture was restricted owing to congestion at the stores, and the total yield for the whole Island amounted accordingly to only 328,199 cwt. The quantity secured in 1910 (the record year) was 759,396 cwt., and in 1909 293,457 cwt.

#### (e) *Manufactures.*

Ceylon is essentially an agricultural country, and its manufactures on any large scale are chiefly confined to the products of agriculture. Out of 1,112 factories in the Island, 872 or 78 per cent. are tea factories, 76 coconut fibre and desiccating, 23 cocoa, and 41 rubber. Particulars of their output are given under "Exports." The preparation of coconut oil, copra, and arrack gives employment to a large number of the inhabitants, and so to a less extent does that of citronella oil and cinnamon.

In the Northern Province cigars are manufactured, but there is increasing competition from cigarettes. The Jaffna cigar, which is small, strong, and extremely cheap, is a favourite with the natives.

Cigars from Dumbara in the Central Province have been manufactured on a small scale to suit the requirements of European taste. But no expansion of the tobacco industry can be expected without improved methods of growing and curing. Experiments in this direction are now being pursued.

The manufacture of tiles and bricks is carried on in all parts of the Island where suitable clay is plentiful. Rs. 3,595 worth of Ceylon manufactures under this head were exported in 1911.

The weaving of a coarse kind of cloth in hand looms is carried on in the Eastern, Northern, and Central Provinces to supply purely local wants. The cloth, though strong and of hard wearing quality, is inferior in texture and finish to imported material. Lace-making is carried on in the Western Province.

In other districts baskets, tortoise-shell boxes, and combs are manufactured, and common earthenware for water pans and cooking utensils to meet local requirements.

Excellent furniture is made in the Western Province, especially at Moratuwa.

Jewellery of very fine workmanship is made in the Northern Province, but on a very small scale. It is a species of filigree work, prized by the Tamil population of the Island.

The indigenous crafts peculiar to the Kandyan country, *i.e.*, silver and brass work, the making of jewellery, earthenware, and painted pottery, lacquer work, and ivory carving, continue to receive encouragement from the Kandyan Art Association. Specimens of these articles are kept in the Kandyan Art Museum, where they can be purchased.

Brass lamps, betel stands, plates, cooking utensils, and water pots are made in the North-Western and Eastern Provinces and at Negombo in the Western Province.

In the Mannar District of the Northern Province the drying and salting of fish gives employment to a large number of people. In 1911 nearly Rs. 323,000 worth of dried fish was exported from the Mannar District.

### (C) AGRICULTURE.

#### *The Agricultural Society.*

The Ceylon Agricultural Society has now a membership of 914.

Through the agency of the "Tropical Agriculturist and Magazine of the Ceylon Agricultural Society," its smaller Sinhalese and Tamil monthly publications, and the dissemination of leaflets, the Society helps to keep the local agriculturist in touch with the progress of agriculture in all parts of the world, particularly in the tropical regions.

A number of small village shows were held during the twelve months in various parts of the Island.

Demonstrations in the use of improved implements were continued, with the result that there is now a considerable demand for better class ploughs, &c. The dearth of buffaloes for mudding and ploughing owing to the ravages of rinderpest in some parts of the Island has tended to quicken the interest of the paddy cultivator in more modern methods.

The Society has interested itself in the introduction of improved varieties of fruits and vegetables, has conducted experiments in the improvement of tobacco cultivation and curing, and has co-operated with the local agents of the British Cotton Growing Association to encourage the cultivation of cotton.

Good work is being done by a village Co-operative Credit Society and Agricultural Bank in the Central Province, and the co-operative movement has now begun to spread to other districts.

#### *Position of Agricultural Industries:*

The continued prosperity of the *tea*, *coconut*, and *rubber* industries is sufficiently indicated by the figures already given under the head of "Exports."

The *cocoa* industry suffered in 1911 from the abnormal drought which prevailed during the greater part of the twelve months, the crop being 61,711 cwt., as against 70,278 cwt. for 1910.

*Cardamoms*, with an output of 564,819 lb., suffered from the same cause. The cultivation was abandoned on a number of the older fields, which were planted up with tea instead, while the new acreage coming into bearing was very small.

The quantity of *citronella* oil exported was 1,574,956 lb., or 187,963 lb. less than in 1910, which was a record year.

There was a fall in the export of *cinnamon*, both for quills and chips, but towards the end of the year prices rose rapidly, as much as 90 cents being paid for the highest grade of fine cinnamon. In the Kalutara District and the Southern Province several cinnamon plantations were superseded by rubber, while in the Negombo District coconuts are taking the place of cinnamon.

The cultivation of *cotton* and *tobacco* for export purposes remains still in the experimental stage. That with reasonable capital expenditure and scientific methods of treatment both crops can be made to pay there is little doubt. But so long as the older established products continue to yield such handsome returns the inducement to pioneer in new ventures is not great.

Hitherto the native tobacco plantations of the Northern and Eastern Provinces and the Chilaw and Kandy Districts have contended themselves with supplying the local market, with the exception of a not inconsiderable export of Jaffna tobacco to Travancore. The Travancore authorities having recently imposed a limit on the import of this tobacco there is no room for expansion in this direction, and unless the native cultivator can be induced to set himself seriously to the improvement of the quality of tobacco produced, the prospects of the industry are not bright.

*Paddy* cultivation remains the principal occupation of the villager, but shows little sign of extension, while the quantity of rice imported for local consumption continues steadily to increase.

During the first nine months of 1911 a prolonged drought was experienced in most parts of the Island. In many localities the tanks did not fill, and paddy cultivation was seriously affected. Heavy rains in November and December improved the prospects for 1912.

#### *Organization of Agricultural Department.*

The Botanic Gardens at Peradeniya, though originally started as a botanic station, have during the last ten years so extended their scope and organization that they have become in everything except name a Department of Scientific Tropical Agriculture. They included in 1911 a well-equipped Agricultural Experiment Station, and, besides the Director, the staff contained an Economic Botanist, a Mycologist, an Entomologist, and two Superintendents of Experiment Stations, while the services of an Agricultural Chemist were at the disposal of the Department. The Gardens have rendered valuable assistance to the cultivator in all branches of agriculture, both directly and through the instrumentality of the Agricultural Society. In order that the Gardens may be brought more into touch with the European planters and native agriculturists, and organize a systematic propaganda, which will ensure that the practical lessons to be derived from the researches of the scientific staff shall be made known and taken advantage of as widely as possible, arrangements were commenced in 1911 for the formation of a regular Agricultural Department, in which the staff of the Gardens should be merged. The organization of the new Department received the sanction of the Secretary of State for the Colonies, and arrangements were made for its inauguration during 1912. It is proposed to establish schools of agriculture and to modify the present system of education in vernacular schools with a view to the introduction of a systematic course of training in agricultural pursuits, which is now available in a more or less limited form through the medium of school gardens. As Ceylon is essentially an agricultural colony, it is of the utmost importance that the spread of agricultural education should be encouraged, and one of the objects of the new Department will be to ensure the spread of agricultural knowledge.

The Director of the Royal Botanic Gardens, Dr. J. C. Willis, retired at the end of the year. and steps were taken to select a suitable officer to take over the duties of head of the new Department.

Meanwhile, with a view to securing trained teachers for provincial agricultural schools, which are to be established after the inauguration of the new Department, it was decided, with the approval of the Secretary of State for the Colonies, to grant Government scholarships to promising young men desirous of embarking on an agricultural career in the Government service to enable them to receive a training in an Agricultural College in India. As a first step, it was decided to grant four scholarships tenable for a period of three years for a course of training at the Agricultural College at Poona. A scholarship entitles the holder to the following allowances during the three years' course: a subsistence allowance of Rs. 50 per mensem, and an outfit and travelling allowance at the rate of Rs. 300 per annum paid half-yearly. Fees for tuition, cost of instruments, &c., and rent of quarters are paid by Government.

### *Diseases of Animals.*

*Cattle.*—*Rinderpest* continued from the previous year, and cases occurred in all the Provinces. It was specially prevalent in those Provinces where the drought was most severe and food scanty. The planting districts were comparatively free, and there was very little interference with transport or cultivation during the year.

There were 15,195 cases of rinderpest, of which 5,636 recovered, 8,340 died naturally, and 1,219 were shot.

*Foot-and-mouth Disease.*—There were 1,813 cases reported among cattle during the year, of which 143 died and 1,670 recovered.

This disease assumes a mild form in Ceylon, and with ordinary care the percentage of mortality should be almost nil.

*Surra among Cattle and Horses.*—This disease prevailed in Hatton district among horses and cattle during the latter part of 1911. The affected animals were all destroyed, with the exception of two bulls, which died naturally.

Strict measures were imposed with reference to the cleansing of stables and cattle sheds to abate the fly pest, and restrictions were placed upon the removal of horses and cattle out of the infected area, with the result that the epizootic disappeared in less than three months. The total number of cases, including 7 suspects, was 19 cattle and 2 horses.

*Dogs.*—During the twelve months under review 62 cases of rabies were reported, of which 49 gave positive result upon bacteriological examination and the other 13 negative.

## (D) LAND GRANTS AND GENERAL VALUE OF LAND.

### *Land Settlement.*

The Land Settlement Department, which is concerned with the settlement of title to land as between the Crown and the subject, has within the year under review maintained the same steady progress.

An area of 112,062 acres has been settled, about half of this area being dealt with otherwise than under the Waste Lands Ordinance. The striking features of the work have been the peaceful nature of the settlements and the development of the country which has followed upon the establishment of secure titles. The confidence of the large majority of the people in the fairness of the settlements offered has now been secured, and advantage is eagerly taken of the increased facilities for acquiring land from the Crown.

The total area settled under the Waste Lands Ordinance has now reached over a million and a half acres.



*Survey.*

The operations of the Survey Department for the period under review comprised 80,899 acres of block survey.

The number of block survey preliminary plans issued was 119, containing over 5,097 lots and covering an area of 109,083 acres. Final village plans to the number of 290 were issued to the Government Agents. The total area now covered by block survey is 2,309,222 acres.

1,371 preliminary plans for 29,806 acres in 6,549 lots were forwarded to the Government Agents. The total area covered by final village plans in the hands of the Government Agents now stands at 416,596 acres, contained in 11,988 lots or 941 final village plans.

Thirty-four applications to purchase Crown land for rubber cultivation were dealt with during the period, covering 1,079 acres, chiefly in the Western and Sabaragamuwa Provinces.

Surveys have been carried out in connection with the Negombo-Chilaw Railway, and the survey of the Bandarawela-Welimada road was completed during the year.

Town surveys and water-rate surveys have also been carried out.

The Landmarks Ordinance has been in force during the period under review, and all lands sold are now permanently demarcated.

*Land Sales.*

Except in special cases, the alienation of Crown land in Ceylon is effected by the sale of the freehold at public auction. There is no general system of leaseholds. Where occupiers can prove prescriptive possession against the Crown, certificates of quiet possession are issued; and where the occupation has been for less than the prescriptive period, settlements may be effected on special terms.

The total extent of Crown land alienated during the twelve months of 1911-12 (commencing from July 1) was 26,172 acres, and the amount realized, including fees, Rs. 1,430,666.

The figures for the last five years are :—

				Extent alienated.		Amount realized.
				Acres.		Rs.
1907	..	..	..	41,904	..	1,734,138
1908	..	..	..	25,080	..	907,630
1909	..	..	..	28,828	..	991,866
1910-11 (12 months)	..	..	..	30,694	..	1,291,966
1911-12..	..	..	..	26,172	..	1,430,666

Omitting sales and settlements effected by the Land Settlement Department, the area alienated by the Government Agents during the twelve months included an extent of 4,017 acres in the Western Province, 1,795 acres in the Galle District, 1,256 acres in the Province of Uva, 2,998 acres in the North-Western Province, and 966 acres in the Kegalla District.

The average price paid per acre ranged from Rs. 19.47 in the North-Central Province to Rs. 138 in the Western. In the principal coconut, rubber, and tea districts of the low-country, other than the Western Province, the average prices were : Batticaloa Rs. 21, Jaffna Rs. 46, Kurunegala Rs. 48, Puttalam Rs. 53, Matara Rs. 62, Galle Rs. 89. In the tea and rubber districts of the Kandyan Provinces average prices ranged from Rs. 24 in Uva to Rs. 59 in Nuwara Eliya.

**(E) SHIPPING.**

The total number of all vessels (including warships) which entered the ports of the Island in 1911 was 4,355, with a tonnage of 9,561,977 tons, showing a decrease of 53 vessels and an increase of 89,068 tons as compared with 1910.

The following table gives the total number and nett tonnage of shipping entered and cleared at all ports in Ceylon during the years 1910 and 1911 :—

	1910.			
	Entered.		Cleared.	
	No.	Tons.	No.	Tons.
Merchant vessels (with cargo and in ballast) ..	2,430 ..	7,235,146 ..	2,401 ..	7,219,022
Merchant vessels (called to coal) ..	720 ..	1,934,669 ..	720 ..	1,934,669
Native sailing vessels ..	1,193 ..	161,821 ..	1,179 ..	153,219
Warships ..	49 ..	141,273 ..	49 ..	141,273
<b>Total ..</b>	<b>4,392</b>	<b>9,472,909</b>	<b>4,349</b>	<b>9,448,183</b>

	1911.			
	Entered.		Cleared.	
	No.	Tons.	No.	Tons.
Merchant vessels (with cargo and in ballast) ..	2,410 ..	7,387,615 ..	2,385 ..	7,363,938
Merchant vessels (called to coal) ..	691 ..	1,872,580 ..	691 ..	1,873,141
Native sailing vessels ..	1,203 ..	90,306 ..	1,203 ..	94,905
Warships ..	51 ..	211,476 ..	51 ..	211,476
<b>Total ..</b>	<b>4,355</b>	<b>9,561,977</b>	<b>4,330</b>	<b>9,543,460</b>

Omitting warships and vessels calling to coal, the following tables give the distribution according to nationality, inwards and outwards, during 1911 :—

Nationality.	<i>Entered.</i>					
	With Cargo.		In Ballast.		Total.	
	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.
British ..	1,247 ..	3,569,727 ..	361 ..	1,123,702 ..	1,608 ..	4,693,429
Colonial ..	924 ..	69,292 ..	150 ..	8,224 ..	1,074 ..	75,516
German ..	177 ..	706,951 ..	61 ..	237,510 ..	238 ..	944,461
French ..	80 ..	243,395 ..	57 ..	204,630 ..	137 ..	448,025
Maldivian ..	125 ..	14,374 ..	6 ..	482 ..	131 ..	14,856
Japanese ..	87 ..	374,097 ..	9 ..	34,359 ..	96 ..	408,456
Dutch ..	3 ..	5,784 ..	84 ..	260,168 ..	87 ..	265,952
Russian ..	— ..	— ..	72 ..	174,870 ..	72 ..	174,870
Austrian ..	60 ..	195,464 ..	9 ..	24,452 ..	69 ..	219,916
Italian ..	32 ..	85,832 ..	— ..	— ..	32 ..	85,832
Norwegian ..	30 ..	46,952 ..	— ..	— ..	30 ..	46,952
Spanish ..	8 ..	18,884 ..	18 ..	42,503 ..	26 ..	61,387
Danish ..	8 ..	17,110 ..	1 ..	2,238 ..	9 ..	19,348
Siamese ..	2 ..	4,463 ..	2 ..	4,458 ..	4 ..	8,921
<b>Total ..</b>	<b>2,783</b>	<b>5,350,325</b>	<b>830</b>	<b>2,117,596</b>	<b>3,613</b>	<b>7,467,921</b>

Nationality.	<i>Cleared.</i>					
	With Cargo.		In Ballast.		Total.	
	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.
British ..	868 ..	2,750,422 ..	720 ..	1,942,031 ..	1,588 ..	4,692,453
Colonial ..	473 ..	40,403 ..	595 ..	38,653 ..	1,068 ..	79,056
German ..	187 ..	748,943 ..	50 ..	190,671 ..	237 ..	939,614
French ..	72 ..	222,158 ..	64 ..	221,297 ..	136 ..	443,455
Maldivian ..	44 ..	5,755 ..	91 ..	10,094 ..	135 ..	15,849
Japanese ..	81 ..	342,775 ..	15 ..	64,681 ..	96 ..	407,456
Dutch ..	7 ..	20,899 ..	80 ..	245,053 ..	87 ..	265,952
Russian ..	68 ..	165,963 ..	4 ..	8,907 ..	72 ..	174,870
Austrian ..	27 ..	101,742 ..	42 ..	118,194 ..	69 ..	219,936
Italian ..	20 ..	51,862 ..	12 ..	33,970 ..	32 ..	85,832
Norwegian ..	1 ..	1,672 ..	29 ..	45,280 ..	30 ..	46,952
Spanish ..	23 ..	54,457 ..	3 ..	6,930 ..	26 ..	61,387
Danish ..	4 ..	7,681 ..	4 ..	9,429 ..	8 ..	17,110
Siamese ..	4 ..	8,921 ..	— ..	— ..	4 ..	8,921
<b>Total ..</b>	<b>1,879</b>	<b>4,523,653</b>	<b>1,709</b>	<b>2,935,190</b>	<b>3,588</b>	<b>7,458,843</b>

Taking the figures inwards, we get the following comparative distribution according to nationality for 1909 and 1911 :—

	1909.		1911.	
	No.	Tons.	No.	Tons.
British ..	1,553	4,506,996	1,608	4,693,429
British Colonial ..	867	118,071	1,074	75,516
Total British Ships ..	2,420	4,625,067	2,682	4,768,945
German ..	206	814,455	238	944,461
Maldivian ..	109	11,749	131	14,856
French ..	142	466,301	137	448,025
Japanese ..	109	423,706	96	408,456
Dutch ..	43	127,412	87	265,952
Russian ..	42	112,489	72	174,870
Austrian ..	57	192,335	69	219,916
Italian ..	35	95,902	32	85,832
Spanish ..	25	60,323	26	61,387
Norwegian ..	23	21,801	30	46,952
Danish ..	12	33,759	9	19,348
Siamese ..	5	11,157	4	8,921
Swedish ..	5	11,488	—	—
Total Foreign Ships ..	813	2,382,877	931	2,698,976

The only points calling for comment are the continued predominance of British shipping and the striking increase in the number of Dutch vessels calling. As compared with two years ago, there is an increase of German, Russian, and Austrian vessels, and a decrease of Japanese, French, and Italian.

The figures below give the number and nett tonnage of British and foreign vessels entering the port of Colombo during each of the past five years :—

	No.	Tons.
1907 ..	3,065	7,278,719
1908 ..	3,005	7,525,824
1909 ..	2,983	8,091,423
1910-11 (July to June) ..	3,253	8,701,097
1911 (calendar year) ..	2,620	7,069,641

The decrease is probably accounted for by the labour strikes in Europe, which greatly interfered with the shipping trade.

### III.—LEGISLATION.

Among the new Ordinances passed during 1911 were :—

No. 1 of 1911.—“ The Jaffna Matrimonial Rights and Inheritance Ordinance, 1911.” This Ordinance revised and codified and in certain respects precised the law relating to the matrimonial rights and inheritance of those Tamils who are governed by the Tesawalamai.

No. 7 of 1911.—“ The Co-operative Credit Societies Ordinance, 1911.” The object of the Ordinance is to facilitate the organization and registration of co-operative credit societies among agriculturists, artisans, and persons of limited means.

No. 8 of 1911.—“The Ceylon Incorporated Law Societies Ordinance, 1911.” The Ordinance establishes an Incorporated Law Society for the purpose of protecting the interests of that branch of the legal profession which is composed of proctors, and for the enforcement of discipline among them and the observance by them of the rules of professional etiquette.

No. 11 of 1911.—“The Life Insurance Companies Ordinance, 1911.” The object of the Ordinance is to compel life insurance companies doing business in Ceylon to give security for the due fulfilment of their obligations with policy holders, and to provide for the better regulation of the business of such companies.

No. 12 of 1911.—“The Seashore Protection Ordinance, 1911.” The object of this Ordinance is to regulate, and when necessary prevent, the removal of sand, coral, and other substances from the sea and seashore within the areas from which such removal will result in detriment to property and buildings bordering the sea.

No. 13 of 1911.—“The Prisoners Removal Ordinance, 1911.” The Ordinance is intended to provide a more deterrent form of punishment than ordinary imprisonment in cases where in the exercise of the prerogative of mercy death sentences are commuted. Provision is made for the removal of prisoners in such cases to undergo such commuted sentences out of the Island under the Colonial Prisoners Removal Act, 1884, and arrangements have been made with the Government of India for the period of imprisonment to be served in the Andaman Islands.

No. 14 of 1911.—“The Destitute Immigrants Regulation (Amendment) Ordinance, 1911.” By this Ordinance an addition has been made to the definition of the expression “costs and charges,” making all money expended out of public funds for the deportation of stowaways, or for their maintenance, care, or treatment during imprisonment on conviction, recoverable from the party liable. Costs and charges incurred during a period even exceeding two months have also been made recoverable.

No. 17 of 1911.—“The Opium Ordinance, 1911.” The main object of the Ordinance is to relax the strictness of certain provisions of “The Opium Ordinance, 1910.” Provincial Surgeons are given the power by endorsement on prescriptions to exempt the person in whose name the prescription is made out from the restrictions imposed by the Ordinance. Provision is made to enable planters out of the range of dispensaries to supply opium in a medicinal form to their coolies in emergencies under proper regulations.

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#### IV.—EDUCATION.

It is not possible to draw the same clear line between elementary and secondary education in Ceylon as can be drawn in other countries. The matter is complicated by the fact that English is a foreign language to all but a small fraction of the population. The Europeans, Burghers, and Eurasians together form less than 1 per cent. of the population; the Sinhalese form 66 per cent. of the total; the Tamils and Tamil-speaking Moors 32 per cent. The result is that most of the schools in which English is taught are teaching a language which is foreign to the great majority of their pupils, and the distinction between elementary and secondary education is replaced by the distinction between vernacular and English schools. The vernacular schools really constitute the elementary education of the country.

(A) **VERNACULAR EDUCATION.**

The following table shows the numerical progress for the last six years in the case of vernacular schools :—

Year.	Number of		Attendance.		Number of		Attendance.	
	Government	Schools.	Boys.	Girls.	Aided	Schools.	Boys.	Girls.
1906 ..	566 ..	54,249 ..	13,827 ..	1,429 ..	90,389 ..	44,599 ..		
1907 ..	592 ..	55,624 ..	14,372 ..	1,456 ..	88,707 ..	48,518 ..		
1908 ..	624 ..	59,756 ..	15,634 ..	1,574 ..	95,467 ..	53,646 ..		
1909 ..	656 ..	63,862 ..	17,189 ..	1,652 ..	102,598 ..	53,884 ..		
1910 ..	734 ..	71,148 ..	19,761 ..	1,699 ..	111,191 ..	59,356 ..		
1911-12	754 ..	76,251 ..	21,841 ..	1,754 ..	119,659 ..	65,972 ..		

From this it appears that there were in 1911 altogether 2,508 Government and grant-in-aid vernacular schools attended by 195,910 boys and 87,813 girls. These figures show an increase of 75 schools and 22,267 children over the corresponding figures for 1910.

*Unaided Schools.*—Besides the children attending Government and aided schools, 34,595 children were reported to be receiving instruction in 1,501 unaided schools, almost all of them vernacular. The figures furnished by such schools cannot, however, be relied upon, and the education is often of very little value.

*Cost of Vernacular Education.*—The total sum spent by Government on vernacular education during 1911-12 was Rs. 987,844·59, of which Rs. 385,142·59 was expended on Government schools and Rs. 602,702 on aided schools. The cost to Government of the education of each pupil in a Government vernacular school was Rs. 3·93 or 5s. 3d., and the average grant per head of each pupil in grant-in-aid schools was Rs. 3·25 or 4s. 4d.

*Rural Schools Ordinance.*—This Ordinance is now in force in all districts, except Jaffna and Mullaitivu in the Northern Province. Since it was brought into force in 1908 138 new Government schools have been started.

*Town Schools Ordinance.*—This Ordinance is now in force in the Local Board towns of Kalutara, Moratuwa, Kegalla, and Hambantota. Arrangements are being made for bringing it into force at Matale, Ratnapura, and Gampola.

*Estate Schools.*—At the end of 1911 there were 238 aided estate schools, as against 227 at the end of 1910 and 185 at the end of 1909. The number of estate schools actually examined for grant was 193, as compared with 199 in 1910.

As in recent years, a form was circulated to collect information from superintendents of estates. Returns were received from 771 estates, on which the number of resident children between the ages of 6 and 10 was 20,709, of whom 12,567 were boys and 8,142 were girls. The number who attended school was 9,379, of whom 8,073 were boys and 1,306 were girls.

(B) **ENGLISH SCHOOLS.**

In 1911 there were 239 English and Anglo-Vernacular schools attended by 41,559 pupils, of whom 33,561 were boys and 7,998 girls. As compared with 1910, there has been an increase of 3 schools and 3,395 pupils. In the majority of these schools the work is confined to the schedules of the Educational Code, but there are many in which the upper classes are prepared for the Cambridge Examinations, Senior and Junior, and a few in which the work of the most

advanced students reaches a higher level. The following were the results of the Cambridge Local Examinations, for which 1,249 candidates presented themselves in 1911, viz., 538 for the Senior and 711 for the Junior :—

	Candidates.		Honours.		Passes.	
	Boys.	Girls.	Boys.	Girls.	Boys.	Girls.
Senior ..	492	46	35	2	219	26
Junior ..	575	136	39	—	338	86

The following were the results of the London University Examinations held in 1911 :—

	Candidates.	Passes.
Matriculation ..	33	15
Intermediate in Arts ..	14	9
Intermediate in Science ..	9	3
Bachelor of Arts ..	2	2
First Examination in Medical Degrees ..	2	2

*The Royal College.*—The only Government school in which higher education is given is the Royal College, at which in 1911 there were 190 pupils, with an average attendance of 184. The pupils in the upper part of the College are prepared for the Cambridge Local Examinations and the Examinations of the London University as far as the Intermediate in Arts and Science. The staff consists of sixteen masters, of whom four hold English University Degrees. The gross cost to Government for 1911-12 was Rs. 52,262.36, of which a sum of Rs. 20,987.50 was recovered in school fees. New buildings for the College at a cost of about Rs. 250,000 are in course of construction.

The policy of gradually abandoning the lower school was started by dropping the first form at the beginning of 1909, and since then one form has been dropped each year. At the same time fees have been raised in the upper school from Rs. 10 to Rs. 15, and in the lower school from Rs. 5 to Rs. 7.50. The result of these two changes has been a decrease in numbers, confined, however, to the lower school.

*Non-Government Institutions.*—The other institutions in which anything that can be fairly described as higher education is given are registered as aided schools under the Code, with one exception, viz., the Church Missionary Society's Ladies' College in Colombo.

The following schools have presented candidates either for the University Scholarship or for the London Intermediate Examination :—

St. Thomas's College ..	Colombo ..	Church of England
St. Joseph's College ..	do. ..	Roman Catholic
St. Benedict's Institute ..	do. ..	do.
Wesley College ..	do. ..	Wesleyan
Ananda College ..	do. ..	Buddhist
Trinity College ..	Kandy ..	Church of England
Richmond College ..	Galle ..	Wesleyan
Prince of Wales's College ..	Moratuwa ..	Private
St. John's College ..	Panadura ..	do.

*Government Assistance.*—The encouragement offered by Government takes two forms : (a) grants ; (b) scholarships.

(a) In most of the aided English schools grants are paid on the results of examinations in the ordinary schedules of the Code, supplemented by specific subjects. But in some of the better schools the system has been replaced by one under which the greater part of the grant is paid on the average attendance. Liberal grants are also paid for every pupil who obtains

honours in the Cambridge Local Examinations, or who passes the London University Matriculation Examination or Intermediate Examination in Arts. The total sum expended in grants to English schools was Rs. 203,907·40.

(b) On the results of the Intermediate Examinations of the University of London two Government scholarships are given annually, one on the Examination in Arts, the other on the Examination in Science. They are tenable for three years, and are of the value of £200 each per annum, with free passage to England and £50 outfit allowance. The holders of these scholarships are at liberty to join any British University, or to enter upon a course of studies at any recognized engineering institution in the United Kingdom. Students studying medicine are allowed a scholarship for four years. One scholarship of Rs. 240 per annum for three years is awarded annually to girls on the results of the Cambridge Local Examination. On the results of the Cambridge Junior Local Examination one scholarship of Rs. 240 per annum for three years and two of Rs. 120 per annum for three years are awarded annually to boys, and two scholarships of Rs. 120 per annum for three years are awarded annually to girls. The total sum expended in scholarships in 1911 was Rs. 35,217·69.

#### (c) TRAINING OF TEACHERS.

The Government Training College consists of four departments: English, Sinhalese Men, Sinhalese Women, and Tamil Men. The English department is intended specially to meet the wants of aided English schools; in the vernacular departments students are trained for work in Government schools. The number of students in training at the beginning of 1912 was as follows:—English 33, Sinhalese Men 47, Sinhalese Women 20, Tamil Men 12.

Three boys' schools are carried on in connection with the Training College, and on the same premises, viz., English, Anglo-Vernacular Sinhalese, and Anglo-Vernacular Tamil.

The total expenditure on the Government Training College was Rs. 49,199·93 of which sum Rs. 12,199 was recovered in school fees.

Besides the Government Training College, there are twenty Vernacular Training Schools, which received yearly grants amounting to Rs. 14,275.

#### (D) TECHNICAL, INDUSTRIAL, AND AGRICULTURAL EDUCATION.

*The Government Technical Schools.*—There is now no general provision for higher technical education in Ceylon. [The civil engineering classes at the Technical College were finally brought to an end in the early part of 1910. A little later the classes in surveying were taken over by the Survey Department, which now trains its own recruits. The title of the institution was changed to "Technical Schools," and the work was confined to the preparation of candidates for the lower branches of the Railway and Postal Departments, to the classes in chemistry and physics, which are held in the science laboratories for medical and other students, and to the drawing and art departments.]

At the same time the training of candidates for the Public Works Department in civil engineering was abandoned, and in its place Government offers three scholarships to enable students to take the course of the Engineer Class at the the Madras Engineering College, with a view to their ultimate appointment to posts in that Department. These scholarships entitled their holders to a subsistence allowance of Rs. 50 per mensem, and an outfit and travelling allowance at the rate of Rs. 300 per annum for three years. The fees also are paid by Government. Those students who pass the College final examination at the end of the three years' course will receive the same subsistence allowance for an additional year, during which they will be employed on works in India. They will further receive the same travelling allowances as are drawn by Indian students under the same circumstances.

For students desirous of entering the Irrigation Department three scholarships are offered, to be held in the Upper Subordinate Class in Engineering at the same institution. These scholarships carry with them a subsistence allowance of Rs. 30 per mensem, and an outfit and travelling allowance at the rate of Rs. 200 per annum for three years, with a further year's employment on works in India to those students who pass the College final examination at the end of the three years' course.

In the year 1911 there were 72 students at the Technical Schools. The cost of the institution for the year was Rs. 37,756·95, of which Rs. 1,816·18 were recovered in fees and by the sale of stationery, instruments, &c.

*Industrial Schools.*—There are no Government industrial schools, but carpentry schools have been attached to five Government schools in the Kandyan Provinces. In 1911 the aided industrial schools, which are 36 in number, received grants amounting to Rs. 20,895·16. The number of pupils was 6,115, and the trades taught were dressmaking, carpentry, printing, bookbinding, shoemaking, tailoring, blacksmith's work, lace-making, embroidery, gardening, and masonry.

The most important of these schools is the Maggona Certified Industrial School, which is utilized by Government as a reformatory, and carried on by the Roman Catholic Mission. This institution has an estate of about 300 acres and excellent buildings, to the cost of which Government has contributed. At the end of 1911 the number of juvenile offenders receiving instruction in it was 220. The trades taught were carpentry, ironwork, masonry, gardening and estate work, bookbinding, and tailoring. An allowance is paid by the Government for the maintenance of each juvenile offender. The total cost of the institution to Government in 1911 was Rs. 23,849·57.

*Agricultural Institution.*—In Ceylon, where 88 per cent. of the population is rural, the technical and industrial education required for the main part of the population is one which will fit them for rural and agricultural life. An attempt is already being made to supply this by the scheme for school gardens, which is conducted in connection with the Government schools. There are now 231 Government schools in which gardens are being carried on under the scheme. The seeds and implements are supplied by the Royal Botanic Gardens, and the gardens are visited as often as possible by the Superintendent of School Gardens and his assistants. The work is encouraged by money prizes for the most successful school in each district.

It is hoped at no distant date to establish a central school of agriculture, and at the same time to modify the training in the vernacular schools in the direction of imparting elementary instruction in agricultural subjects. Meanwhile arrangements have been made for the training of selected students from Ceylon at the Agricultural College at Poona, and four students proceeded there this year to go through a three years' course.

*Needlework in Girls' Schools.*—This subject has received much attention since the appointment of the Inspectress of Needlework in 1904. The Inspectress visits personally as many schools as she can, and marks the work done at all girls' and mixed schools throughout the Island. This has led to a marked improvement both in plain needlework and in the lace and embroidery done in industrial schools.

#### (E) PROPOSED EDUCATIONAL REFORMS.

The Committee appointed to inquire into the state of education in Ceylon presented its report in May, 1912. It is now receiving the consideration of Government together with a special report on the same subject by Mr. J. J. R. Bridge, Inspector of Secondary Schools, who was sent out by the English Board of Education at the request of the Government of Ceylon.



## V.—GOVERNMENT INSTITUTIONS.

### (A) HOSPITALS.

There are 76 Government hospitals, in addition to the Lunatic and Leper Asylums, equipped with modern hospital furniture and surgical appliances. The number of beds in the hospitals ranges from 30 to 425.

The new outpatients' department of the General Hospital, Colombo, is now completed and in working order. In addition to the hospitals, there are 418 outdoor Government dispensaries and 279 estate dispensaries supported by the planters, who get their drugs free up to a value of 50 cents per cooly per annum.

### (B) MEDICAL INSTITUTIONS.

The Medical College accommodated in 1911 151 medical and 81 apothecary students, these numbers showing a decrease of 10 and 1 respectively as compared with 1910. The full course of training for medical students is five years; a diploma in medicine, surgery, and midwifery (which can be registered in the United Kingdom) is granted to successful students. In association with the College there are a Bacteriological Institute with a small Clinic for Tropical Medicine attached; a laboratory for the Government Analyst; an ophthalmic hospital; a lying-in home; a women's hospital; a children's hospital; and special hospitals for the insane, lepers, and infectious diseases.

The staff of the Civil Medical Department has recently been strengthened by the appointment of two Itinerating Inspecting Medical Officers, whose principal duties are—

- (a) Inspection of hospitals and dispensaries and of the work of the Provincial Surgeons generally.
- (b) Inspections of opium depôts.
- (c) Initiation and execution of measures to combat anchylostomiasis, tuberculosis, and malaria.
- (d) Inspection of estates.
- (e) Special supervision of cholera, smallpox, or other epidemics.

### (C) ASYLUMS.

The Lunatic Asylum is situated in Colombo. There are 664 inmates.

The Leper Asylum is situated about 6 miles from Colombo, and contains 392 patients. A small establishment for lepers exists in the Eastern Province, and contains 36 patients. A large leper settlement is to be founded there shortly.

In association with Government, a Home for Incurables (containing 80 beds) is worked by a Committee of Government officials and representatives of the public.

### (D) POOR HOUSES.

There are no poor houses in Ceylon. In Colombo and some other towns there are Friend-in-Need Societies for the relief of distress, and these are subsidized by Government, the Colombo subsidy being Rs. 12,000 per annum. In addition to this, every Government Agent and Assistant Government Agent has an annual vote for "Allowances to Paupers"; the votes vary from Rs. 10,500 in the Colombo District to Rs. 660 in the Nuwara Eliya District; the maximum allowance is Rs. 5 a month.

### (E) REFORMATORIES.

There are no Government reformatories in Ceylon, but by an arrangement with the Roman Catholic Mission the Maggona Industrial School is used as a reformatory for youthful offenders (*vide* IV. (v) Technical, Industrial, and Agricultural Education).

(F) SAVINGS BANKS.

There are two Government institutions, and the business of both showed a satisfactory working in 1911.

*Ceylon Savings Bank.*—The Ceylon Savings Bank had a sum of Rs. 5,152,981 to the credit of 37,099 depositors on December 31, 1911, as against Rs. 4,857,383 to the credit of 35,938 depositors on December 31, 1910.

The amount of the bank's invested funds on December 31, 1911, was Rs. 5,601,947. Interest is allowed on deposits at the rate of 3 per cent. on sums of Rs. 1,000 and over, and 4 per cent. on sums under Rs. 1,000.

*Post Office Savings Bank.*—At the end of 1911 there was a sum of Rs. 3,217,242 to the credit of 93,549 depositors, an increase of Rs. 343,810 and 7,595 depositors over 1910.

VI.—JUDICIAL STATISTICS.

(A) POLICE.

The authorized strength of the Police on December 31, 1911, was 1 Inspector-General, 7 Superintendents, 15 Assistant Superintendents, 24 Inspectors, 41 Sub-Inspectors, 59 Station House Officers, 253 Sergeants, and 1,983 Constables.

In addition, the strength of the European Police was 1 Inspector, 2 Sub-Inspectors, 4 Second Class Sergeants, and 24 Third Class Sergeants.

The cost of the force in 1911 was Rs. 1,240,385.

(For criminal statistics furnished by the Inspector-General of Police see under (c) below.)

(B) PRISONS.

There was a decrease of 302 in the total number of admissions of convicted prisoners to the prisons of Ceylon during the year 1911, excluding Road Ordinance defaulters, of whom there were 191, as against 214 in 1910. The figures are as follows :—

1910	..	..	..	..	8,840
1911	..	..	..	..	8,538

The convictions for murder and manslaughter were 106, as against 101 in 1910. Of these 106, 50 were sentenced to be hanged, of whom 31 were executed. Of the 50 sentenced to be hanged, 44 were Sinhalese, 5 Tamils, and 1 an Arab.

There were 13 escapes during the year and 9 recaptures.

The total number of deaths in jail was 315, as against 238 in 1910 and 381 in 1909. The death-rate per 1,000 of the prisons population was 20·98, as against 16·36 in 1910 and 23·85 in 1909.

The daily average sick was 180·82, as against 148·83 in 1910 and 166·60 in 1909.

The number of punishments for prison offences inflicted during the year was 1,151, as against 1,287 for 1910. The total number of individuals punished was 1,093. Corporal punishments decreased from 30 in 1910 to 25 in 1911.

Prisoners are employed on works of public utility and remunerative industrial labour, the demand for such work being still in excess of the supply.

All cloth required for the clothing of prisoners is woven by the prisoners themselves in Welikada Prison. Clothing and bedding are made for the Medical Department. Baskets are manufactured at Negombo and Batticaloa by convalescent prisoners for the Public Works Department. The steam laundry at Welikada undertakes washing for all the Medical Department institutes in Colombo, as well as for the Railway Department; while the tailors in Welikada, in addition to making articles for the Medical Department, make up uniforms for

all officers in the Prisons Department, as well as all prisoners' clothing. 200 prisoners are daily employed at the Government Printing Office at Welikada, and it is hoped shortly to increase this number. For this purpose the accommodation at Welikada has been and is being increased, all the work being done by prison labour.

Out of doors prisoners are chiefly employed in quarrying stone and breaking metal and on reclamation works. At Mahara 540 prisoners are employed in the quarries for the Harbour Works. At Kandy, Galle, Chilaw, Anuradhapura, and Tangalla stone and metal are supplied to the Railway and Public Works Departments. The Karaiur reclamation scheme at Jaffna is now in full swing. Large additions and alterations have been made in the Jaffna Prison giving increased accommodation, which enables 400 prisoners to be kept at that station and employed on the reclamation works.

The portable prison at Mankulam was opened in September, 1911, and has proved a success. It not only affords useful remunerative labour in the shape of quarrying stone and breaking metal for the Irrigation Department, but has proved a good deterrent.

So great has been the demand for prison labour on such works as above noted that it was found in December, 1911, necessary to reduce still further the "penal stage" from two months to one. This step has in no way proved detrimental to prison discipline, while it has improved the health of the prisoners and has rendered more prisoners available for works of public utility, prisoners who have passed the penal stage being employed in outdoor manual labour, instead of in husk-beating or other forms of comparatively unremunerative work within the jail walls.

#### (C) CRIMINAL STATISTICS.

##### I.—From Returns furnished by the Inspector-General of Police for the Calendar Year 1911.

The following figures show the number of "true" cases of crime dealt with during the past five years:—

Year.	True Cases.		Convictions and Committals.	
1907	..	..	..	..
1908	..	..	..	..
1909	..	..	..	..
1910	..	..	..	..
1911	..	..	..	..

Of the total 12,751 for 1911, 5,055 were statutory offences, breaches of Municipal by-laws, and other minor offences. Real crime amounted to 7,696 offences for the year.

The following table shows the fluctuations of the more important forms of serious crime:—

	1907.	1908.	1909.	1910.	1911.
Murder and homicide	188	201	177	209	182
Rape	110	129	130	131	121
Robbery	926	1,000	937	1,015	798
Burglary	2,370	2,570	2,456	1,957	1,630
Grievous hurt	479	329	551	731	680
Theft of cattle and prædial products	1,161	2,079	1,656	1,324	1,366
Arson	384	499	391	442	383
Riot	2	1	1	—	4

The figures show that there has been a further large decrease in burglary and a slight decrease in cases of grievous hurt, while the amount of other crime has been nearly stationary.

The number of murders is below the average of the last six years, but the decrease is very slight and shows no real improvement. Of the murders, as is usual, nearly half the number were stabbing cases, and when the causes are examined, an almost equal number are found to be due to sudden and quite unpremeditated quarrels. It is satisfactory to note that in only two cases was murder committed for the sake of plunder. 22 cases were due to jealousy and 25 were the outcome of long-standing enmity, while 10 more were due to land disputes. Recent inquiries tend to throw doubt on the correctness of the figures prior to 1907, but steps have recently been taken to ensure greater accuracy in the compilation of criminal statistics, and the figures may now be regarded as more reliable than they have been previously. The fall in the number of burglary cases is the most satisfactory feature of the year.

II.—*From Returns furnished by the Solicitor-General for the Financial Year July, 1911, to June, 1912.*

The number of cases instituted in the Police Courts and Municipal Magistrates' Courts during the period July, 1911, to June, 1912, was 78,601, as against 79,620, the proportionate number for twelve months of the period January, 1910, to June, 1911.

The number of persons dealt with in the above cases was 85,312. The proportion per 100,000 inhabitants was 2,075, as against 3,144 during the preceding eighteen months.

1,573 persons were committed for trial before the Superior Courts. Of these, 18 were discharged on the withdrawal of the indictments against them by the Attorney-General, 898 were convicted of various crimes, and the remaining 657 were acquitted.

Taking into account offences of a serious nature which, in certain circumstances, are summarily triable by Police Magistrates, altogether 1,763 persons would appear to have been convicted of serious crime during the twelve months, as against 2,160 the proportionate number for twelve months of the period January, 1910, to June, 1911, or a decrease of 397 persons convicted.

Out of 52 persons convicted of murder, 6 were transported to the Andamans, the sentence of death being commuted.

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VII.—VITAL STATISTICS.

(A) POPULATION.

The population of Ceylon on December 31, 1911, exclusive of the immigrant population, estimated on the basis of the Census of March 10, 1911, was 4,106,254, an increase of 13,018 on the population estimated on December 31, 1910, and consisted of 7,644 Europeans, 27,044 Burghers, 2,716,438 Sinhalese, 1,057,740 Tamils, 266,980 Moors, 13,115 Malays, and 17,293 "Others." Compared with the population at the end of 1910, there was an increase of .32 per cent. The natural increase by excess of births over deaths from the date of the last Census to December 31, 1911, amounted to 719, while the number of Indian immigrants exceeded the emigrants by 43,259. The population (inclusive of immigrants) on January 1, 1912, was accordingly 4,149,513, an increase of 51,638 persons (made up of an excess of 13,018 births over deaths and of 38,620 immigrants over emigrants), i.e., an excess of 1.01 per cent. of the population (inclusive of immigrants) at the end of 1910 estimated on the basis of the last Census.

*Births and Deaths.*—The births registered in 1911 numbered 156,398, and were in the proportion of 37·9 per 1,000 of the population estimated at the middle of the year. The deaths registered in 1911 numbered 143,380, and were equal to a rate of 34·8 per 1,000 of the population—the second highest rate on record for the last forty-five years, the highest (35·1) being in 1906. Compared with 1910, the birth-rate for 1911 shows a decrease of 1·1 per mille, and the death-rate an increase of 7·5 per mille. Compared with the average rates for the eleven years 1898–1908, the birth-rate for 1911 shows a decrease of ·1, and the death-rate an increase of 6·3 per mille.

#### (B) PUBLIC HEALTH.

The general health of the population during the year was bad, the death-rate rising to 34·8 from 27·3 in the previous year and from 28·5 the average for the eleven years 1898–1908, and the infantile mortality to 218 from 176 in 1910 and 180 the average for 1898 to 1910. The deterioration was shared by five of the Provinces, the exceptions being the North-Central Province (33·0, average 42·1), the Northern Province (24·7, average 30·8), the Eastern Province (29·9, average 32·1), and the Province of Uva (37·1, average 37·9). The deterioration was especially marked in the Province of Sabaragamuwa, where the rate rose to 59·0 from 32·5.

*Causes of Death.*—Deaths from enteric fever showed a marked decrease from the previous year, numbering 651, as against 4,619. But this is almost entirely due to an alteration in the method of tabulation, only those cases being now entered as “enteric fever” which are duly certified as such by qualified medical men, while deaths previously reported by village registrars as due to this cause are now classified as due to “ill-defined fever.” Under the latter head the number of deaths increased from 16,238 in 1910 to 33,064 in 1911.

Deaths registered as due to diarrhoea rose from 13,602 in 1910 to 17,347 in 1911, to dysentery from 2,960 to 4,743, to phthisis from 3,917 to 4,286, and to anchylostomiasis from 1,592 to 2,001.

Cholera accounted for 277 deaths, as against 22 in 1910, 242 of these occurring in the cooly camp at Ragama, and being traceable to infection from India. Deaths from smallpox, also traced to infection from India, numbered 89, as against 29 in 1910.

*Preventive Measures against Disease.*—Measures have been taken for the prevention of malaria by the circulation of leaflets, the free distribution of quinine, and lectures and demonstrations to the public through the officers of the Medical Department and the headmen.

An anti-malaria campaign is being conducted at Kurunegala in the North-Western Province, and measures are also in progress at Badulla in the Province of Uva.

In connection with the King Edward VII. Memorial Fund, measures are being taken to combat the ravages of tuberculosis.

Vaccination is systematically carried on throughout the Island by a special staff. During the twelve months 161,979 subjects were vaccinated. The percentage of successful primary vaccination cases to total inspected was 90·39, while the percentage of successful re-vaccination cases was 70·95.

Stringent precautions are taken under the auspices of the Plague Committee to prevent the introduction of plague into Ceylon. The Island has hitherto been immune from the ravages of the disease. One case of plague in a European was landed at Galle in July, the patient recovering.

There were 38 deaths from hydrophobia during 1911. The Ceylon Government gives an annual grant to the Pasteur Institute at Coonoor, and poor persons bitten by rabid animals and unable to meet the expenses of the journey are sent there at the cost of the Government.

Concerted action is being taken by the local authorities to stamp out rabies by enforcing the registration of dogs and by the destruction of homeless pariahs.

### (c) SANITATION.

In the matter of sanitation the large towns are controlled by Municipalities, while others have Local Boards, or come under the Small Towns Ordinance.

The general expense of scavenging is met from rates recovered locally, and loans are made occasionally to local bodies for larger works of permanence, such as water supply, construction of drains, &c., the cost of which they are unable to meet in a lump sum.

*Colombo Drainage Works.*—The drainage of Colombo has been undertaken by Government at the request of the Municipal Council, the necessary funds being advanced by Government on loan, while further assistance is being given by the contribution of a part of the expenditure as a free grant.

The scheme provides for a complete system of sewers and rain water drains throughout the city, and for the disposal of the sewage by bacterial treatment upon modern lines.

Up to the end of 1911 75 miles of sewers and rain water drains had been laid, and about half the city was ready for house connections.

*Water Supply Schemes.*—With the assistance of the Government, partly by way of grant, partly of loan, the Municipality of Galle has completed a water supply for that town. Similar assistance is being given to the Local Board of Kurunegala in the North-Western Province and to that of Batticaloa in the Eastern; while in the Northern Province special consideration has been shown to Mannar, a small township which is likely to rise to some importance with the opening of through railway connection with South India in the near future. Schemes for supplying water to Puttalam and Chilaw are being considered.

### (d) CLIMATE.

The climate of Ceylon varies considerably in different parts of the Island, both as regards temperature and rainfall. In the low-country and coast districts the climate is tropical, and a noticeable feature is the small diurnal variation of both the barometer and thermometer. In the mountainous districts in the interior of the Island it resembles that experienced in many parts of Europe, being temperate and equable.

The rainfall for 1911 was below normal on the west side of the Island, but above it on the east. Unusually heavy rain occurred in December in the north and north-east. Ratnapura again heads the list with 148·77 inches on 224 days, as against 128·04 inches on 232 days in 1910. At the other extreme Puttalam had 37·64 inches on 87 days, as against 33·34 inches at Mannar and 32·91 inches at Hambantota in 1910.

The rainfall at the Colombo Observatory was 69·36 inches on 169 days, and at Kandy 86·84 inches on 177 days.

The mean temperature for the whole year was highest at Mannar, 83·1° F.; and lowest at Nuwara Eliya, 59·6° F.

At the Colombo Observatory and at Kandy the mean temperature was 81·6° F. and 76·0° F. respectively.

The highest temperature reached in the Island during 1911 was 101·1° on May 21 at Trincomalee. The highest on record is 103·7° F. at Trincomalee on May 12, 1890.

The highest temperature reached at the Colombo Observatory in 1911 was 95·7° F. on February 19.

The mean daily range of temperature, i.e., the mean of the daily differences between the maximum and minimum temperatures, was highest at Badulla, where it was 19·9° F.; and lowest at Galle, 8·4° F.

### VIII.—POSTAL, TELEGRAPH, AND TELEPHONE SERVICES.

One new post office and eleven new receiving offices were opened during the year 1911. The total number of offices now is 454, of which 286 are receiving offices for the sale of postage stamps and delivery of letters, while 168 are money order and savings bank offices, and of these 114 are also telegraph offices.

The total estimated number of articles, exclusive of parcels, which passed through the post amounted to 40 millions, against 37½ millions in the year 1910.

The total number of parcels dealt with was 589,312, an increase of 39,403 over the previous year. The business done is shown as follows :—

	1910.	1911.
Total number of parcels..	549,909	589,312
To the United Kingdom	12,516	12,502
From the United Kingdom	25,942	28,414
To other countries	37,041	38,624
From other countries	120,453	131,382

The following are the figures for money orders :—

	1910.		1911.	
	Number.	Value. Rs.	Number.	Value. Rs.
Inland	384,610	10,853,842	401,636	11,615,385
Indian	236,475	7,021,184	248,963	7,587,354
United Kingdom	11,456	464,688	11,454	521,837
Other Countries	12,869	884,244	13,110	965,258

The increase in telegrams is shown in the following figures :—

	1910.	1911.
Inland	662,246	712,990
Indian	156,301	161,736
Other Countries	89,945	87,516

*Postal Improvements.*—The travelling post office van formerly returned daily from Kandy to Colombo by the 7 A.M. Down train practically empty. It has now been arranged that it shall return by the Down Night Mail, and up-country offices make up bags for the van. Parcels and registered letters are also sent from a number of post offices to the travelling post office.

*District Inspectors of Post Offices.*—The Island has been divided into four postal districts, and an inspector has been placed in charge of each.

*Investigating Inspector.*—A special inspector was appointed to inquire into cases of fraud and alleged thefts in the post. It was arranged that he should receive three months' training in India.

*Date-stamping Machine.*—A Krag date-stamping machine capable of stamping 600 letters a minute was introduced into the Colombo Office.

*New Telegraph Office.*—Owing to the want of room in the General Post Office, due to the growth of the Telegraph Department, the Central Telegraph Office was removed on March 12, 1911, to a new building at the end of Chatham street and near the Fort Railway Station.

*Wireless Telegraph Station.*—Provision was made in the Estimates for 1911-1912 for the construction of a Wireless Telegraph Station at Colombo. The work was entrusted to the Marconi Wireless Telegraph Co., the site selected being in the neighbourhood of Welikada Jail. It was anticipated that it would have a range of 450 to 500 miles by day and 800 by night.

*Telephones.*—In 1896, the year that Government took over the Telephone Exchange from the Oriental Telephone Co., there were 130 telephones in use; there are now over 1,200.

The underground telephone cables in Colombo were completed in the early part of the year.

Telephone trunk lines were opened from Colombo to Kandy on March 10, 1911, and from Kandy to Nuwara Eliya on April 13, 1911.

## IX.—PUBLIC WORKS.

## (A) PUBLIC WORKS DEPARTMENT.

The total expenditure of the Public Works Department for the year 1911 was Rs. 6,916,805, an increase of Rs. 334,487 over 1910.

The total length of roads maintained by the Public Works Department during the year was 3,873 miles, of which 3,564 miles are cart roads and 309 miles are bridle roads.

The special expenditure on roads and bridges for 1911 under the programme of Works chargeable to Surplus Balances amounted to Rs. 264,900.

Amongst the more important works completed during the year were the Central Telegraph Office and Telephone Exchange, Colombo; the Outpatients' Department, General Hospital, Colombo; and the new Government Printing Office, Colombo.

The following works were in progress, but had not been completed at the end of the year:—The Wireless Telegraph Station, Colombo; the Anatomical Block in connection with the rebuilding of the Medical College, Colombo; the new Royal College, Colombo; the Hydro-Electric Installation, Nuwara Eliya; the extension of the Customs premises and Passenger Jetty, Colombo; and the Colombo Lake Development Project.

Considerable progress was made in the extension of metalled cart roads in the planting districts in the year under review.

## (B) COLOMBO HARBOUR WORKS.

The total expenditure upon the harbour works proper during 1911 amounted to Rs. 908,530·78, the total expenditure since the commencement of the South-west Breakwater in 1873, including maintenance charges, being Rs. 43,193,914·93.

*New Arm, South-west Breakwater.*—The work of block setting was resumed in October, and good progress made. At the end of the year there remained to be done the landing jetty, masswork, capping, lighthouse, and bagwork, all of which it was anticipated would be completed within the following four months.

*Graving Dock.*—The Dock was occupied on seventeen occasions during the year. The revenue amounted to Rs. 36,800·17, and the expenditure to Rs. 65,029·71.

*Patent Slip.*—The Slip was used on twenty-three occasions, producing a revenue of Rs. 23,964; the working expenses amounted to Rs. 15,119·47.

*Coaling Grounds.*—The new coaling grounds on the east side of the harbour have been allotted to the different coaling firms. The site of the old coaling grounds on the south side will probably be utilized for a much-needed extension of the Customs premises.

*Deepening of the Harbour.*—In view of the decision of the Suez Canal Company to increase the depth of the canal to 11 metres or 36 feet, steps are being taken to dredge the northern portion of the harbour to a similar depth, two further areas, at the root of the South-west Breakwater and opposite the coaling jetties, being dredged to a depth of 33 feet.

## (C) RAILWAY.

*Open Line, 1911-12.*

The new section of the narrow gauge line from Avisawella to Ratnapura, a distance of 27 miles, was opened in January, 1912, bringing the total length of line open for traffic to 604½ miles.



The revenue derived from all sources during the year amounted to Rs. 14,113,877, the new line to Ratnapura contributing Rs. 129,011. These figures compared with the receipts for 1910-11 show an increase of Rs. 530,717, the largest item of increase being Rs. 386,657 under Coaching Traffic.

Under Goods Traffic the tonnage conveyed has increased, the principal increases being under the heads of Tea 8,043 tons, Rubber 2,577 tons, Tea Packing 2,055 tons, Manure, 13,144 tons, Liquid Fuel 3,083 tons, and Other Third Class Goods 11,913 tons.

The total working expenses, including a sum of Rs. 339,479 spent on new and minor works, amounted to Rs. 6,686,891, or an increase over the preceding year of Rs. 349,308.

The result of the year's working is as follows :—

					Rs.
Receipts	..	..	..	..	14,113,877
Working Expenses	..	..	..	..	6,686,891
				Profit	7,426,986

Of this profit, a sum of Rs. 1,244,933 was expended on additional accommodation and improvements. In addition to this, a sum of Rs. 1,442,046 from the surplus balances of the Colony was spent on new works and rolling stock, 16 new engines and 185 passenger and goods wagons having been put into traffic during the year.

The total capital cost to June 30, 1912, was Rs. 102,367,082, and the capital outstanding Rs. 49,115,716.

#### *Extensions, 1911-12.*

*To Chilaw.*—This line will form a continuation of that opened in December, 1909, between Colombo and Negombo, extending it for another 27 miles up the west coast through a thickly populated district, the greater portion of which is devoted to the cultivation of coconuts. It is anticipated that it will attract a large goods traffic. The line is being constructed on the broad gauge. The estimated cost of the extension is Rs. 3,932,053, the amount expended up to June 30, 1912, being Rs. 1,540,152.

*To Ratnapura.*—The extension of the Kelani Valley narrow gauge (2 ft. 6 in.) line, covering the 27 miles from Avisawella to Ratnapura, was opened to traffic on January 15, 1912. Of the estimated cost of Rs. 2,953,408, a sum of Rs. 2,827,944 had been expended up to June 30, 1912. At that date certain minor works remained to be executed, at an estimated cost of Rs. 70,000.

*To Pelmadulla.*—The survey and estimate for this line were completed in 1912, and sanction for its construction was given in June of that year. The line will run in extension of that from Avisawella to Ratnapura, for nearly 17 miles beyond the latter place, and will pass through some of the richest rubber growing country in the Island. It will be constructed on the 2 ft. 6 in. gauge. The total estimated cost is Rs. 2,253,414.

*To Badulla.*—Plans, sections, and estimates were prepared for an extension of the Main line from Bandarawela, the present up-country terminus, to Badulla, the chief town of the Province of Uva, and an important centre of the tea and rubber plantation industries. The new line will be some 21 miles in length, traversing hilly and broken country throughout.

*To Mannar.*—By July, 1912, the earthwork on this extension was practically complete, and rail head was within 20 miles of Mannar. From this station the rails had been laid to Talaimannar, a distance of 18 miles.

The twelve months showed a good average rate of construction. The country was free from the rinderpest and drought which caused so much trouble the year before, and there was a marked improvement in the health of the labour force, owing largely to better conditions of transport.

*Colombo Stations Extension.*—This scheme comprises the construction of new stations at Maradana and the Fort, new railway store, engine sheds and yards, re-arrangement of the old goods yard, deviation and duplication of main lines across the lake, formation of lake basins to take traffic from the railway by water to the godowns and eventually to the harbour, the reclamation of a large area of the lake, and the construction of a quay wall, on which electric cranes will work, &c. The new station at Maradana, engine sheds and yards, railway store and office, and inward goods shed have already been completed. Good progress is being made with the rest of the works. The total estimated cost of the work as it now stands is Rs. 6,443,271, while the expenditure to June 30, 1912, was Rs. 3,907,382.

*Sea Coast Duplication and Maradana-Ragama Widening.*—This work was commenced in 1909, and provides for the duplication of the track between Moratuwa on the Coast line south of Colombo and Ragama on the line to Kandy. The actual duplication between Colombo and Ragama has been completed. South of Colombo the line has been opened for double line working between Bambalapitiya and Mount Lavinia. The total estimate for the work is Rs. 2,697,356, the expenditure to June 30, 1912, being Rs. 2,376,140.

*Protection of Sea Coast Line.*—To counteract the encroachment of the sea heavy protection works of rubble and blocks of stone have been taken in hand along the line running through Kollupitiya and Bambalapitiya, and in weak spots between Wellawatta and Mount Lavinia. The estimate for the whole of these works is Rs. 513,510, and the expenditure to June 30, 1911, Rs. 433,370.

#### (D) IRRIGATION, 1911-12.

The total expenditure on the construction of irrigation works for the year ending June 30, 1912, was Rs. 291,559, the expenditure for the previous eighteen months from January 1, 1910, to June 30, 1911, being Rs. 484,523.

The expenditure on the maintenance of irrigation works during the same period was Rs. 115,591. This covers only the major works, there being in addition a very large number of village works which are maintained, as far as possible by unskilled labour, by the people owning the land irrigated by them.

The work of the year has consisted chiefly in pushing on the construction of the five large works already undertaken. The year 1913 should see three of these brought practically to completion as far as the main works are concerned ; but their development by subsidiary works, such as minor channels, will probably take some years. The exceptionally heavy and unprecedented floods during the north-east monsoon were responsible for considerable delay in construction and damage to works already completed.

The area brought under irrigation by major works during the year was 428 acres, thus bringing the total area irrigated by these works up to 133,040 acres or 208 square miles. The area irrigated by the village tanks, which have been constructed by the people with Government assistance and under the supervision of Government officers, is reported to have been 95,700 acres or 150 square miles. These figures for village works are not altogether reliable, and although the figures are less than those given for the previous year, viz., 103,245 acres or 161 square miles, there has probably actually been an increase rather than a decrease.

#### (E) FORESTS.

Forest exploitation has been directed towards the elimination of over-mature timber which retarded future regeneration of crops, and the utilization of timber on areas to be alienated for sale, lease, or irrigation purposes.

The supply to public departments at actual cost of output reached a value of about Rs. 490,000 for the period from July 1, 1911, to June 30, 1912, as against

Rs. 648,000 for the preceding twelve months. Since 1906 the Forest Department has delivered 552,767 broad gauge and 136,669 narrow gauge sleepers to the Railway, and it now holds a large supply in reserve.

The average cost of delivery to date has been Rs. 3·66 per broad gauge and Re. 1·86 per narrow gauge sleeper. The Railway previously paid over Rs. 5 per broad gauge sleeper and Rs. 3·25 per narrow gauge for supplies of Jarrah, so that a considerable saving has been effected by the supply being obtained from the local forests, while the local sleepers are admittedly more durable than the imported ones.

## X.—GENERAL OBSERVATIONS.

### (A) IMPORTANT EVENTS.

The fifth Decennial Census of Ceylon was taken on the night of March 10, 1911, the total population, exclusive of the military and the shipping, being returned at 4,105,535, or an increase of 15·13 over the figure for 1901.

In March, 1911, two hospitals, erected by private munificence, were opened by His Excellency the Governor at Veyangoda and Negombo respectively.

In May His Excellency laid the foundation stone of the new Royal College building in Colombo.

In June the local celebration of the Coronation of His Majesty King George V. took place. Reference has been made in the Report for 1910-1911 to the demonstrations of loyalty which the occasion evoked.

On June 29 His Excellency the Governor proceeded to Europe on leave, and Sir Hugh Clifford, K.C.M.G., assumed the administration of the Government. The Governor returned from leave on November 19, and proceeded almost immediately to India to represent the Colony at the Delhi Durbar and Coronation celebrations.

On November 20 His Excellency opened a large hospital at Moratuwa, which had been erected by private munificence.

Towards the close of the year the elections of candidates for the newly constituted Legislative Council took place. Of the four elective seats, two were contested, namely, those of the Burgher and the Ceylonese electorates. The former was contested by three candidates and the latter by two.

The representatives of several European Governments at the Coronation of the King of Siam visited the Island on their way from Europe to Bangkok. Among others who honoured Ceylon with a visit were His Serene Highness Prince Alexander of Teck and Her Royal Highness Princess Alexander of Teck, His Imperial Highness the Grand Duke Boris of Russia, Their Royal Highnesses Prince William and Princess Mary of Sweden, and His Royal Highness Prince Waldemar of Denmark.

A Commission was appointed by the Governor in April to inquire into the question of the adequacy of the rolling stock and other facilities on the railway for goods and passenger traffic, how far these were sufficient for existing requirements, and what further facilities were needed to meet immediate and future requirements.

Committees were also appointed to deal with the following subjects :—

- The suggested extension of the railway from Ratnapura to Pelmadulla.
- Relief to Government officers in Colombo owing to the high cost of living, especially in the matter of house rent.
- The amendment of the local laws relating to merchant shipping.
- The general question of secondary and higher education in the Island.
- The position and prospects of the members of the various departments of the Public Service.

(B) PUBLIC SERVICE.

Sir Hugh Clifford, K.C.M.G., administered the Government of the Colony from June 29 to November 19, 1911, during the absence of the Governor on leave, and again from November 23, 1911, when the Governor proceeded to India to represent the Colony at the Delhi Durbar. Mr. L. W. Booth acted for Sir Hugh Clifford as Colonial Secretary.

Mr. H. W. Brodhurst, Government Agent of the Western Province, received the honour of a Companionship of the Most Distinguished Order of Saint Michael and Saint George, and Dr. C. T. Griffin, Assistant Principal Civil Medical Officer, was appointed a Companion of the Imperial Service Order in June. Mr. James A. van Langenberg and Mr. B. W. Bawa, two of the leading advocates practising at the Colombo Bar, were appointed King's Counsel in November. Mr. H. W. Milligan of the Ceylon Civil Service was awarded the Royal Humane Society's medal for rescuing fishermen from drowning at Negombo in April.

Mr. A. G. Lascelles, K.C., Attorney-General, succeeded Sir Joseph Hutchinson as Chief Justice of the Colony in May, 1911, and Mr. Anton Bertram, formerly Puisne Judge of Cyprus, succeeded Mr. Lascelles as Attorney-General.

The following retirements from the Public Service took place during the year under review :—Dr. C. T. Griffin, I.S.O., from the office of Assistant Principal Civil Medical Officer and Inspector-General of Hospitals, in April ; Mr. H. L. Crawford, C.M.G., from the office of Controller of Revenue, also in April ; Lieut.-Col. E. C. Davies, V.D., I.S.O., from the office of Government Factory Engineer, in May, 1911 ; and Mr. H. W. Brodhurst, C.M.G., from the office of Government Agent of the Western Province, in November, 1911.

The following deaths among members of the Public Service are recorded with regret :—Mr. H. H. Cameron, who retired from the office of Treasurer of the Colony ; Mr. H. L. Wendt, late Puisne Judge of the Supreme Court of the Island ; and Mr. John Kyle, Resident Engineer of the Colombo Harbour Works.

The deaths also took place of Mr. F. C. Loos, C.M.G., Unofficial Member representing the Burgher community in the Legislative Council ; of Mr. Philip Freudenberg, for many years Imperial German Consul at Colombo ; of the Right Rev. Dr. C. Pagnani, O.S.B., Roman Catholic Bishop of Kandy ; and of H. Sri Sumangala Thero, High Priest of Adam's Peak and Principal of the Vidyodaya Buddhist College.

(C) THE EXCISE COMMISSION.

During 1911 the Excise Commissioners were employed in working out the details of the scheme sanctioned by the Secretary of State. Plans of the experimental distillery were prepared, a site was selected, and orders were placed for the stills and other apparatus. A complete scheme for dealing with the foreign liquor question was prepared and approved. A departmental scheme was worked out, and the nucleus of a staff trained. An Ordinance to give effect to the proposals was drafted, and progress was made with the collection of statistics and other information.

(D) IMMIGRATION AND EMIGRATION.

The term "immigration" in Ceylon is commonly used with reference to the immigration of native labour from the South of India for the tea and rubber plantations. There is no opening in Ceylon, as in the self-governing Colonies, for the immigration of white labour.

The number of immigrant labourers who arrived in Ceylon in 1911 was 97,536, as against 112,202 in 1910. The arrivals in 1911, though less than those of the previous year, were considerably above the average for the past six years, which was, in round figures, 78,000. The arrivals are, however, largely counter-balanced by the departures, which in the official returns are given at 64,660 for 1910 and 58,916 for 1911.

Although in some parts of the Island the Sinhalese villagers are taking more and more to work on estates, the demand for immigrant Tamil labour is still steadily on the increase, and with the competition in the labour market of South India both of the Malay Peninsula and of India itself, the position from the point of view of the Ceylon employer is one that calls for, and is receiving, the earnest consideration of the planting community.

Apart from coolies returning to their homes, the main stream of emigration from Ceylon is rather to the Straits Settlements and the Malay States than to India, and the number of Ceylonese, especially from the north of the Island, who of late years have sought a living in the countries named is not inconsiderable.

#### (E) OPENINGS FOR INVESTMENT OF CAPITAL.

The cultivation of tea, rubber, and coconuts continues to offer the chief openings for the investment of capital. Coconuts in particular are now attracting European capital, and, should it once be established that they can be successfully grown under irrigation, there is the prospect of considerable extension of this industry in the North-Western Province, and even in the drier districts of the North-Central Province.

The plumbago mining and gemming industries, as well as the cultivation of tobacco, are almost exclusively in native hands. The market for the tobacco now produced being limited, there is little, if any, room for the extension of its cultivation on present lines. But it is believed that with more up-to-date methods of cultivation and curing this crop can be grown with profit for the European market. Similarly, in the drier districts the cultivation of cotton offers possibilities as yet undeveloped.

March, 1913.

A. N. GALBRAITH,  
Second Assistant Colonial Secretary.



## COLONIAL REPORTS, &c.

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No.	Colony, &c.	Year.
726	Turks and Caicos Islands ...	1911
727	Fiji ...	"
728	Bechuanaland Protectorate ...	1911-1912
729	Basutoland ...	"
730	Colonial Survey Committee ...	"
731	Malta ...	"
732	Nyasaland ...	"
733	British Honduras ...	1911
734	Gilbert and Ellice Islands...	1910
735	Southern Nigeria ...	1911
736	Somaliland ...	1911-1912
737	Imperial Institute ...	1911
738	Northern Nigeria ...	"
739	Jamaica ...	1911-1912
740	Swaziland ...	"
741	Bahamas ...	"
742	Grenada ...	1911
743	Uganda ...	1911-1912
744	Mauritius ...	1911
745	Trinidad and Tobago ...	1911-1912
746	British Guiana ...	"
747	St. Vincent ...	"
748	Barbados ...	"
749	Leeward Islands ...	"
750	Straits Settlements...	1911
751	East Africa Protectorate ...	1911-1912
752	St. Lucia ...	"
753	Gilbert and Ellice Islands Protectorate...	1911
754	Cayman Islands (Jamaica) ...	1911-1912
755	Gibraltar ...	1912
756	St. Helena ...	"
757	Weihaiwei ...	"

### MISCELLANEOUS.

No.	Colony, &c.	Subject.
72	Fiji ...	Hurricane, 1910.
73	Jamaica ...	Cayman Islands.
74	Ceylon ...	Mineral Survey, 1906-7 and 1907-8.
75	West Indies...	Imperial Department of Agriculture.
76	Southern Nigeria ...	Mineral Survey, 1907-8.
77	St. Vincent ...	Roads and Land Settlement Fund.
78	Weihaiwei ...	Census, 1911.
79	Northern Nigeria ...	Mineral Survey, 1907-8 and 1908-9.
80	Nyasaland ...	Mineral Survey, 1908-9.
81	Southern Nigeria ...	Mineral Survey, 1908-9.
82	Imperial Institute ...	Rubber and Gutta-percha.
83	Southern Nigeria ...	Mineral Survey, 1910.
84	West Indies...	Preservation of Ancient Monuments.







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No. 797.

C E Y L O N .

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REPORT (SUPPLEMENTARY) FOR 1912.

(For Report for 1911-12, see No. 758.)

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Presented to both Houses of Parliament by Command of His Majesty.  
*June, 1914.*

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## CONTENTS.

MAP.	PAGE
<b>I.—FINANCIAL :</b>	
Municipalities .. .. .	1
Local Boards .. .. .	2
 <b>II.—TRADE, AGRICULTURE, AND INDUSTRIES :</b>	
Imports and Exports .. .. .	3
Mines, Manufactures, and Fisheries .. .. .	8
Agriculture .. .. .	10
Land Grants and General Value of Land .. .. .	12
Shipping .. .. .	13
 <b>III.—LEGISLATION .. .. .</b>	
 <b>IV.—GOVERNMENT INSTITUTIONS :</b>	
Hospitals .. .. .	16
Medical Institutions .. .. .	16
Asylums .. .. .	16
Poor Houses .. .. .	17
Reformatories .. .. .	17
Savings Banks .. .. .	17
 <b>V.—JUDICIAL STATISTICS :</b>	
Police .. .. .	17
Prisons .. .. .	17
Criminal Statistics .. .. .	19
 <b>VI.—VITAL STATISTICS :</b>	
Population .. .. .	19
Public Health .. .. .	20
Sanitation .. .. .	21
Climate .. .. .	21
 <b>VII.—POSTAL, TELEGRAPH, AND TELEPHONE SERVICES .. .. .</b>	
 <b>VIII.—PUBLIC WORKS :</b>	
Public Works Department .. .. .	23
Colombo Harbour Works .. .. .	24
Government Railway .. .. .	24
Irrigation .. .. .	25
 <b>IX.—GENERAL :</b>	
Important Events .. .. .	26
Public Service .. .. .	26
The Excise Commission .. .. .	27
Immigration and Emigration .. .. .	27
Openings for Investment of Capital .. .. .	28



8



# REPORT ON THE CEYLON (SUPPLEMENTARY)

## BLUE BOOK OF 1912.

[NOTE.—The Blue Book and Report for 1911–12 dealt with financial statistics for the year ending June 30, 1912, but with statistics other than financial for the calendar year 1911. In future the Blue Book will be compiled for the calendar year, and will contain financial statistics for the financial period ending within that year. The financial statistics for the twelve months from July 1, 1912, to June 30, 1913, will accordingly appear with other statistics for the calendar year 1913. To secure continuity in the statistics other than financial, it has become necessary to issue a Supplementary Blue Book containing such statistics for the calendar year 1912, and it is with these alone that the present Report deals, except in the case of local bodies, which still follow the calendar year for purposes of accounting.]

### I.—FINANCIAL.

#### (A) MUNICIPALITIES.

THE following is a comparative statement of the total revenue and expenditure of the Municipalities for the five years ended December 31, 1912 :—

#### *Colombo.*

Year.	Revenue.			Expenditure.	
	Rs.	c.		Rs.	c.
1908	1,884,133	4	..	1,846,000	97
1909	1,848,294	12	..	2,068,958	38
1910	2,260,049	41	..	2,191,141	42
1911	2,662,823	36	..	2,466,953	17
1912	2,678,159	63	..	2,906,599	85

#### *Kandy.*

1908	..	..	226,646	54	..	189,138	78
1909	..	..	180,602	94	..	165,850	27
1910	..	..	224,346	80	..	225,323	32
1911	..	..	245,473	66	..	245,088	6
1912	..	..	233,939	10	..	211,794	95

#### *Galle.*

1908	..	..	141,984	46	..	132,461	36
1909	..	..	156,051	80	..	192,656	31
1910	..	..	135,329	75	..	156,856	28
1911	..	..	154,342	21	..	144,680	6
1912	..	..	184,382	50	..	165,102	70



Below will be found a statement of the debts of the Municipalities up to December 31, 1912, showing provision for payment :—

Amount of Debt outstanding.	On what Account.	Provision for Payment.
Rs. c.	<i>Colombo.</i>	
(See below) ..	—	—
	<i>Kandy.</i>	
121,313 67 ..	Waterworks construction ..	Water-rate of 6 per cent. on properties within certain portions of the Municipality (Ordinances Nos. 18 and 29 of 1884).
105,402 98 ..	Acquisition of lands above reservoir; repairs to main sewer and other various works	Bond assigning portion of water-rate as authorized by Ordinance No. 7 of 1887; also portion of rates and taxes.
18,000 0 ..	To widen Victoria Drive and clear lake silt	Bond assigning portion of rates and taxes under sections 127 (a) and (b), 128, 129, and 130 of Ordinance No. 7 of 1887.
	<i>Galle.</i>	
245,624 81 ..	Construction of waterworks ..	A water-rate of 5 per cent. is levied within the Fort for repayment of loan.
37,840 82 ..	Sanitary improvements ..	Mortgage of stamp duties on licenses for carts, boats, and coaches, and also stamp duties under Licensing Ordinances of 1893 and 1897.
528,182 28		

As regards the Municipality of Colombo, a sum of Rs. 9,194,814·41 has been advanced by the Government towards the cost of the Mansergh Drainage and Sewerage Scheme. In addition to this, a sum of Rs. 250,000 has been advanced towards the improvement of the Colombo water supply, i.e., for laying an additional main. The construction of the Colombo Waterworks and the Victoria Bridge was carried out by Government, and the Municipality has undertaken to repay Government an annual sum of Rs. 100,000 until 1924 in respect of the former, and of Rs. 8,000 until 1945 for the latter.

#### (B) LOCAL BOARDS.

There are twenty-one Local Boards in Ceylon. The Boards are entrusted with the maintenance of public health and the general improvement and conservancy of the towns in which they are established. Their sources of revenue are an assessment tax on real property, taxes on vehicles and animals, road commutation tax, stamp duties for various licenses, and fines for breaches of by-laws, &c.

In 1912 the total revenue of these Boards amounted to Rs. 494,406, as against Rs. 596,425 in 1911; and the total expenditure to Rs. 500,573, as against Rs. 488,073 in 1911.

Loans are made to Local Boards, usually at  $3\frac{1}{2}$  to  $4\frac{1}{2}$  per cent. interest and 2 per cent. sinking fund, for approved purposes, such as waterworks, drainage, erection of markets, &c., on the security of their revenue.

During 1912 a loan of Rs. 2,325 was made to the Local Board of Bandarawela, and one of Rs. 8,000 to the Sanitary Board, Galle District.

## II.—TRADE, AGRICULTURE, AND INDUSTRIES.

### (A) IMPORTS AND EXPORTS.

#### *Trade in General.*

The total value of Ceylon trade in the year 1912 again exceeded that of any previous year, as will be seen from the following table :—

Aggregate Value of Imports and Exports for the last Ten Years (omitting Specie, but including Coal exported for the use of Steamers).

Year.	Lakhs of Rupees.	Year.	Lakhs of Rupees.
1903 ..	2,144	1908 ..	2,648
1904 ..	2,198	1909 ..	2,853
1905 ..	2,240	1910 ..	3,321
1906 ..	2,363	1911 ..	3,523
1907 ..	2,631	1912 ..	3,886

The Customs revenue collected in 1912 showed an advance of Rs. 1,643,737 as compared with 1911. Between 1902 and 1912 the increase has amounted to Rs. 7,294,498, or 81·7 per cent.

The chief source of this revenue in 1911 and 1912 was the import duty on—

	1911. Rs.	1912. Rs.
Grain ..	3,856,615	3,941,579
Spirits ..	1,974,002	2,208,726
Kerosine Oil ..	1,362,388	1,605,472
Sugar ..	1,125,417	1,295,334
Cotton Goods ..	450,926	546,112

The total trade of the Colony, excluding specie and coal exported for use of steamers, amounted to Rs. 374,277,881, an increase of Rs. 36,764,816, or 10·9 per cent. over 1911, compared with an increase of Rs. 57,610,626 (18·2 per cent.) during the previous period.

The following table gives details for the last ten years of the annual value of the trade of the Colony, omitting specie and the value of coal for the use of steamers :—

Year.	Imports.	Exports.			Total.	Total of Imports and Exports, omitting Specie and the Value of Coal for use of Steamers.
		Produce and Manufacture of the Colony.	British, Foreign, and other Colonial Produce and Manufacture.			
	Rs.	Rs.	Rs.	Rs.	Rs.	
1903	100,889,372	100,871,556	1,356,167	102,227,723	203,117,095	
1904	105,324,719	99,894,461	1,214,415	101,108,876	206,433,595	
1905	108,324,328	100,898,551	1,291,158	102,189,709	210,514,037	
1906	112,789,269	108,248,232	1,463,412	109,711,644	222,500,913	
1907	120,061,934	127,095,587	2,272,664	129,368,251	249,430,185	
1908	122,420,393	127,015,846	1,946,310	128,962,156	251,382,549	
1909	125,441,597	144,121,334	2,778,297	146,899,631	272,341,228	
1910	150,195,648	160,771,277	5,700,330	166,471,607	316,667,255	
1911	156,986,106	170,110,905	10,416,054	180,526,959	337,513,065	
1912	175,322,979	190,932,654	8,022,248	198,954,902	374,277,881	

It will be noticed from the above table that for the last six years the value of the exports has materially exceeded that of the imports. This is due practically entirely to the influence of rubber. In 1906, the last year when imports exceeded exports, the value of the rubber exports was only Rs. 1,527,539 ; in 1912 it was Rs. 52,178,051, exclusive of 5 millions of rupees worth of Straits and Indian rubber transhipped here. The balance in favour of exports was in 1912 Rs. 23,631,000.

An analysis of the distribution of the trade of Ceylon as between the United Kingdom, British Colonies, and foreign countries during the past three years gives the following figures (omitting imports of rubber, specie, and coal exported for the use of steamers):—

		1910.	1911.	1912.
Percentage of total trade of Ceylon taken by—				
United Kingdom	..	38·03	39·31	40·13
British Colonies	..	34·57	33·37	32·7
Foreign Countries	..	27·4	27·32	27·17
Percentage of import trade of Ceylon taken by—				
United Kingdom	..	28·32	28·3	29·62
British Colonies	..	58·77	57·71	55·4
Foreign Countries	..	12·91	13·99	14·98
Percentage of export trade of Ceylon taken by—				
United Kingdom	..	46·49	48·39	49·14
British Colonies	..	13·49	13·29	13·26
Foreign Countries	..	40·02	38·32	37·6

There was an advance by the United Kingdom both in the import and export trade, while the British Colonies showed a decrease under both heads. The percentage of value of our imports from foreign countries has steadily increased, but the percentage of our exports to those countries has similarly declined.

#### Imports.

There were advances under practically all heads, especially noteworthy being those under Cotton, Metals, Coal, Sugar, and Kerosine Oil.

*Biscuits and Confectionery.*—The imports of *biscuits* rose 15 per cent., i.e., from 1,485,805 lb. in 1911 to 1,714,656 lb. in 1912. The import of *confectionery* was 1,309,078 lb., or about 20 per cent. more than in the preceding year.

*Cement.*—The demand for cement declined in quantity from 361,088 cwt. in 1911 to 318,996 cwt. in 1912.

*Coal* imports have increased from 665,047 tons to 885,661 tons during the same period.

*Cotton, Manufactured and Raw.*—Imports were valued at Rs. 14,109,396, an increase of Rs. 2,855,533 over the previous record year 1911. There were appreciable increases under bleached, gray, and printed piece goods from the United Kingdom and dyed piece goods from British India, Holland, and the United Kingdom.

*Grain.*—The quantity of rice cleared for home consumption during the year was more than in the previous period, the figures being : 1911, 6,897,034 cwt. ; 1912, 7,089,690 cwt.

*Horses and Motor Cars.*—The number of motor cars imported during the year was 239, as against 213 in 1911, 151 in 1910, 75 in 1909, and 89 in 1908.

The ever-increasing popularity of motoring is reflected in the imports of *petrol*. The following are the figures since 1909 :—1909, 66,208 gallons ; 1910, 136,646 gallons ; 1911, 206,028, gallons ; 1912, 216,714 gallons.

Only 384 *horses* were imported in 1912, as against 796 in 1910 and 483 in 1911.

*Kerosine oil* imports amounted to 4,917,895 gallons, of which 4,144,268 consisted of bulk oil and the balance case oil. Their total increased by about 12 per cent. over 1911.

*Lamps.*—The total number imported was 234,630, as against 204,843 in 1911. The average value entered at the Customs ranged from about Re. 1·50 for English lamps to 6 cents for small glass kitchen lamps from Japan.

*Metals and Metalware.*—The total value of imports was Rs. 8,950,518, an increase of Rs. 1,374,053 over 1911.

The most noticeable increases were in *hardware* (2½ lakhs), *iron, galvanized* (5 lakhs), *hoop iron* (1 lakh), and *cast steel* (2 lakhs) ; while *steelware* showed a fall of ¼ lakh.

**Manure.**—The total quantity imported in 1912 was 77,664 tons, as against 80,000 tons in 1911. Ground nut cake manure was imported in by far the largest quantity (13,500 tons). The other manures which contribute mainly to this year's total are castor seed poonac (10,200 tons), fish manure (12,260 tons), bone manure (8,100 tons), and basic slag (6,800 tons).

**Silk manufactures of all kinds** show an advance of 18 per cent., the figures being : 1911, Rs. 664,444 ; 1912, Rs. 786,524.

**Spirits.**—The quantity imported rose from 333,205 gallons in 1911 to 513,798 gallons in 1912, due principally to larger imports of arrack from India.

The imports of whisky also show an increase over 1911, while gin and brandy show a decrease of 7,282 gallons and 6,782 gallons respectively.

**Sugar.**—The imports of candy and refined sugar show an increase of 50,888 cwt. (or about 14 per cent.) on the imports of the previous year. Java and Hong Kong, the two chief suppliers, sent together 92 per cent. of the total for 1912. Unrefined sugar has increased nearly 24 per cent., while the imports of palm and jaggery were slightly more than in 1911.

**Tobacco, Cigars, and Cigarettes.**—The increase of the duty on manufactured tobacco from 40 cents a pound to Re. 1·40 a pound in December, 1910 (i.e., an increase of 250 per cent.) sent the imports down with a run ; but both tobacco and cigars and cigarettes show an increase for 1912. The figures for the last three years are :—

		Cigars and Cigarettes. lb.		Manufactured Tobacco. lb.		Total. lb.
1910	..	258,571	..	117,873	..	376,444
1911	..	215,756	..	38,788	..	254,544
1912	..	324,966	..	54,765	..	379,731

**Wines.**—There was an increase of 4,047 gallons in the total quantity cleared for home consumption. All kinds shared in the increase, except port and ginger wine.

The following table shows the relative positions of the various countries which export goods to Ceylon (the percentages being percentages of value) :—

Countries.	1910. Per Cent.	1911. Per Cent.	1912. Per Cent.
British India ..	43·83	46·92	45·81
United Kingdom ..	27·35	26·84	28·76
Straits Settlements ..	6·9	5·75	3·81
Germany ..	2·77	3·11	3·37
Burma ..	4·73	2·96	2·37
Japan ..	1·17	1·38	2
Java ..	1·19	1·25	1·86
Maldiv Islands ..	1·45	1·34	1·29
Hong Kong ..	1·21	1·3	1·27
United States of America ..	1·05	1·39	1·11
Holland ..	·62	·82	·92
France ..	·68	·82	·74
Belgium ..	·62	·76	·7
Borneo (excluding British) ..	1·15	·39	·63
Victoria ..	·57	·5	·51
South Australia ..	·64	·57	·49
Austria ..	·68	·61	·49
Siam ..	·7	·39	·48
Russia in Asia ..	·07	·44	·47
Switzerland ..	·38	·43	·4
Western Australia ..	·32	·17	·39
Italy ..	·31	·38	·37
India (excluding British) ..	·42	·53	·31
New South Wales ..	·16	·17	·21
China (excluding Hong Kong) ..	·12	·14	·17
Sweden ..	·23	·16	·16

If we exclude India, whose pride of place is of course due to the enormous supplies of rice and other food stuffs for the native population, the most striking feature of the table is the easily maintained pre-eminence of the United

Kingdom, in spite of all foreign competition. She possesses nearly nine times the trade of the nearest foreign rival. That rival, however (Germany), is steadily advancing, and her place in the table should really be third, as a large proportion of the figure for imports from the Straits represents rubber, which is of course an "import" only in name, being soon transhipped again. Japan occupies the second place among foreign countries.

### Exports.

Ceylon's chief export products in order of value are as follows :—

	Lakhs of Rupees.			Lakhs of Rupees.	
	1911.	1912.		1911.	1912.
Tea ..	849	838	Cocoa ..	23	27
Rubber ..	283	521	Coir fibre ..	13	17
Coconut oil ..	131	105	Coconuts ..	11	12
Copra ..	131	100	Citronella oil ..	10	11
Plumbago ..	66	83	Coir yarn ..	11	11
Desiccated coconuts ..	70	66	Tobacco ..	8	8
Cinnamon ..	20	28	Cardamoms ..	6	8
Arecanuts ..	24	28	Poonac ..	9	7

For the first time the value of rubber has exceeded the total value of the products of the coconut palm exported. The growth of rubber exports is so rapid that they may fairly be expected to reach the head of the table within the next two or three years. Copra, desiccated coconuts, arecanuts, cocoa, and coir yarn have each fallen a place; while coconut oil, plumbago, citronella oil, tobacco, and cardamoms have correspondingly improved their position. Cinnamon, which occupied the ninth place last year, is now seventh in the list. Poonac has fallen from the fourteenth to the last place. Coir fibre and coconuts have maintained their positions.

Tea exports show an increase in quantity on 1911, but failed to reach the high quantity level of 1909. The average price was lower in 1912 than in 1911. The quantity figures for the last few years exhibit a noteworthy stability :—

	Million of lb. exported.			Million of lb. exported.	
	1907	1908		1910	1911
1907 ..	182	180	1910 ..	182	186
1908 ..	180	192½	1911 ..	186	192
1909 ..	192½		1912 ..	192	

The following table shows the comparative distribution, 1911 and 1912 :—

### Principal Markets for Ceylon Tea.

	1911. lb.	1912. lb.	Increase. lb.	Decrease. lb.
United Kingdom ..	112,510,272	115,806,997	3,296,725	—
British Colonies—				
British India ..	1,670,310	2,065,778	395,468	—
Canada ..	8,102,728	8,464,715	361,987	—
Cape Colony ..	530,542	719,609	189,067	—
Hong Kong ..	432,297	204,197	—	228,100
Malta ..	214,504	206,829	—	7,675
Natal ..	962,270	1,090,327	128,057	—
Newfoundland ..	212,064	627,246	415,182	—
New South Wales ..	8,099,003	9,001,341	902,338	—
New Zealand ..	4,661,226	5,046,598	385,372	—
Queensland ..	1,054,964	949,538	—	105,426
South Australia ..	1,183,966	1,327,699	143,733	—
Straits Settlements ..	511,082	530,216	19,134	—
Victoria ..	6,313,501	7,018,699	705,198	—
West Australia ..	704,312	798,244	93,932	—
Other British Possessions ..	444,517	488,414	43,897	—
Total British Possessions ..	35,097,286	38,539,450	3,783,365	341,201
Deduct Decrease ..			341,201	
Nett Increase ..			3,442,164	

	1911. lb.	1912. lb.	Increase. lb.	Decrease. lb.
<b>Foreign Countries—</b>				
Austria ..	235,038 ..	319,942 ..	84,904 ..	—
China (excluding Hong Kong)	5,569,550 ..	6,492,339 ..	922,789 ..	—
Egypt ..	327,957 ..	613,614 ..	285,657 ..	—
France ..	771,784 ..	865,958 ..	94,174 ..	—
Germany ..	663,453 ..	697,248 ..	33,795 ..	—
Russia in Asia	8,253,306 ..	6,084,834 ..	—	2,168,472
Russia in Europe	12,174,367 ..	11,052,787 ..	—	1,121,580
Turkey ..	125,921 ..	252,403 ..	126,482 ..	—
United States	10,151,479 ..	10,507,521 ..	356,042 ..	—
Other Foreign Countries	713,642 ..	786,498 ..	72,856 ..	—
<b>Total Foreign Countries</b> ..	<b>38,986,497</b>	<b>37,673,144</b>	<b>1,976,699</b>	<b>3,290,052</b>
			<b>Deduct Increase</b> ..	<b>1,976,699</b>
			<b>Nett Decrease</b> ..	<b>1,313,353</b>
<b>Grand Total</b> ..	<b>186,594,055</b>	<b>192,019,591</b>	<b>5,425,536</b> ..	<b>—</b>

The principal increases were in exports to the United Kingdom, China, New South Wales, Victoria, and Newfoundland ; while the principal decreases were under Russia in Asia and Russia in Europe.

The total exports of *green tea* in 1912 were 8,093,131 lb., as against 8,657,117 lb. in 1911.

*Products of the Coconut Palm.*—The total value of the exports under this head was 324 lakhs, as against 380 lakhs in 1911. The three principal products are coconut oil, copra, and desiccated coconuts. The exports of all three show a falling off as compared with 1911, and, except in the case of desiccated coconuts, are the lowest since 1908 :—

	Desiccated Coconuts. Cwt.	Copra. Cwt.	Coconut Oil. Cwt.		Desiccated Coconuts. Cwt.	Copra. Cwt.	Coconut Oil. Cwt.
1908 ..	244,734 ..	768,795 ..	670,121 ..	1911 ..	292,210 ..	821,814 ..	505,016 ..
1909 ..	230,791 ..	784,522 ..	599,795 ..	1912 ..	278,806 ..	614,089 ..	401,779 ..
1910 ..	242,286 ..	758,711 ..	619,680 ..				

The average price for coconut oil was Rs. 26·35 per cwt., and is the highest for the last five years, with the exception of 1910. During the year the price of copra ranged from Rs. 78·50 to Rs. 88 per candy.

*Rubber.*—Ceylon exported over twice as much rubber in 1912 as in 1911, the actual figures being—

	Cwt.
1910 ..	33,952
1911 ..	61,212
1912 ..	132,569

The distribution of the rubber among the two largest buyers is as follows for the past two years :—

	1911. Per Cent.	1912. Per Cent.
United Kingdom ..	55·59 ..	55·2 ..
United States of America ..	29·44 ..	31·67 ..

The average value entered in 1912 was Rs. 3·51 per lb., as against Rs. 4·13 per lb. in 1911.

The new Medical Aid Ordinance enacted in 1910 provides for an export levy on rubber, similar to that derived from tea. Up to the end of 1912, however, no duty had been actually imposed.

The following table gives the proportions of Ceylon produce and manufactures taken by the principal countries during the last three years :—

Countries.	1910.		1911.		1912.	
	Per Cent.		Per Cent.		Per Cent.	
United Kingdom ..	47.41	..	48.61	..	49.45	..
United States of America ..	13.52	..	13.89	..	16.58	..
Germany ..	9.72	..	9.44	..	7.08	..
Russia in Europe ..	6.27	..	5.02	..	3.61	..
Belgium ..	2.43	..	3.23	..	3.34	..
British India ..	2.83	..	2.88	..	2.86	..
New South Wales ..	2.51	..	2.37	..	2.28	..
Victoria ..	2.16	..	1.95	..	2.11	..
Canada ..	2.01	..	2.27	..	2.09	..
China (excluding Hong Kong) ..	1.65	..	1.5	..	1.49	..
Russia in Asia ..	1.9	..	2.21	..	1.39	..
New Zealand ..	1.29	..	1.34	..	1.24	..
Austria ..	1.38	..	.54	..	.83	..
Denmark ..	.18	..	.15	..	.65	..
Norway ..	.29	..	.2	..	.45	..
France ..	.58	..	.51	..	.41	..
Spain (excluding Gibraltar) ..	.3	..	.25	..	.35	..
South Australia ..	.35	..	.35	..	.33	..
Straits Settlements ..	.37	..	.32	..	.3	..
Egypt ..	.24	..	.16	..	.3	..
Natal ..	.31	..	.32	..	.3	..
Queensland ..	.29	..	.34	..	.26	..
Cape Colony ..	.21	..	.23	..	.26	..
Holland ..	.31	..	.3	..	.25	..

The United States of America have materially improved their percentage over last year. Canada, which in 1911 was eighth on the list, has fallen one place; while Victoria has advanced from the tenth to the eighth place.

#### *Customs Duties.*

All imports not specially rated or exempted by the Tariff are liable to a Customs duty of  $5\frac{1}{2}$  per cent. *ad valorem*.

Tea, cocoa, and coffee are liable to an export duty of 10 cents per cwt., and cinchona to an export duty of 5 cents per cwt. under the Medical Wants Ordinance; and by a recent amendment of that Ordinance such products as rubber, cardamoms, coca, camphor, and pepper may also be similarly taxed. These additional products had not, however, up to the end of 1912 been subjected to any tax.

#### (B) MINES, MANUFACTURES, AND FISHERIES.

##### (a) *Pearl Fishery.*

No pearl fishery was held during the year under review, and it is uncertain when the next fishery may be held. The last was held in 1907. This was the second fishery held after the lease of the pearl banks to the Ceylon Company of Pearl Fishers, Ltd., but the first actually carried out by the Company. Since then the periodical inspections of the pearl banks made by the Company showed an absence of oysters or spat. Meanwhile the Company found that its remaining funds were insufficient to meet its obligations under the lease, and accordingly approached Government for a modification of the terms of payment of the annual rent. The lease was eventually terminated in 1912, and the plant, stores, &c., of the Company were taken over by the Ceylon Government as from July 8, 1912.

(b) *Mineral Survey.*

The Principal Surveyor returned from sick leave in March, 1912, accompanied by Mr. E. J. Wayland, F.G.S., as assistant, and the examination of promising alluvial deposits was continued. Exhaustive tests of the valley of the Denawak-ganga, in which thorianite had been reported, showed that the mineral is nowhere present in paying quantities. Systematic prospecting of the country between Haputale and Balangoda failed to reveal any minerals of economic importance, and deposits of thoria minerals discovered in the district between Haputale and Welimada proved to be commercially valueless.

Preparations were made to test the reputed auriferous gravels of the Sitawaka and Kelani rivers by boring with a Keystone drill, but owing to delay in delivery the machinery was not ready for work before the break of the north-east monsoon, and this work could not be begun till near the middle of December.

(c) *Mining.*

*Plumbago.*—Plumbago provides the only form of mining proper in Ceylon. Approximately 450 plumbago mines in all were worked during the twelve months, giving employment to some 11,050 men. Of these, three only are in European hands. Generally speaking, the methods employed are primitive, though some of the larger mines are adopting more up-to-date appliances. The mining centres are situated in the Southern, Western, Sabaragamuwa, Central, and North-Western Provinces. In the last-named Province some mines have been sunk to a depth of nearly 200 fathoms, and there is every indication of their being sunk to even greater depths with increased success.

The quantity of plumbago exported rose from 538,973 cwt. in 1911 to 654,650 cwt. in 1912. Of this total, the United States of America took 47 per cent. as against 41 per cent. in 1911, Germany 25 per cent. as against 27, the United Kingdom 16 per cent. as against 19, and Belgium a percentage of 9 for each year. The average price was higher than in 1911, large and ordinary lumps showing an increase of Rs. 9·52, and chips, dust, and flying dust of Rs. 8·18 per ton. The increase in the export to America may be attributable in part to prosperity in the steel trade, but there is no doubt that the competition of the Korean product still continues. It is, however, noteworthy that Japan imported 4,407 cwt. of Ceylon plumbago, as against 35 cwt. in 1910 and 814 cwt. in 1911.

*Gemming.*—With the exception of moonstones and garnets, gems are not obtained *in situ* in Ceylon, but from gravels deposited by streams and rivers. There are two large moonstone pits in the Kandy District. Other precious stones, such as rubies, cat's-eyes, sapphires, &c., are gemmed chiefly in the Ratnapura District.

(d) *Salt.*

The manufacture and collection of salt is a Government monopoly, and is protected by the imposition of a heavy duty on imported salt. Salt is sold at all salt stores at Rs. 3 per cwt., and the sum of Rs. 1,522,542·73 was realized by its sale in 1912, as compared with Rs. 1,631,380·59 in 1911 and Rs. 1,530,570·26 in 1910. The year was not favourable for the production of salt owing to premature rain. At Trincomalee, however, where collection was a total failure in 1911, there was a collection of 43,344 cwt. consequent on favourable weather. Although no restriction was placed on the output, the total yield for the Island amounted only to 276,781 cwt. The quantity secured in 1910 (the record year) was 759,396 cwt., and in 1911 328,199 cwt.



*(e) Manufactures.*

Ceylon is essentially an agricultural country, and its manufactures on any large scale are chiefly confined to the products of agriculture. Out of 1,112 factories in the Island, 872 or 78 per cent. are tea factories, 76 coconut fibre and desiccating, 23 cocoa, and 41 rubber. Particulars of their output are given under "Exports." The preparation of coconut oil, copra, and arrack gives employment to a large number of the inhabitants, and so to a less extent does that of citronella oil and cinnamon.

In the Northern Province cigars are manufactured, but there is increasing competition from cigarettes. The Jaffna cigar, which is small, strong, and extremely cheap, is a favourite with the native population.

Cigars from Dumbara in the Central Province have been manufactured on a small scale to suit the requirements of European taste. But no expansion of the tobacco industry can be expected without improved methods of growing and curing. Experiments in this direction are being pursued.

The manufacture of tiles and bricks is carried on in all parts of the Island where suitable clay is plentiful, but only Rs. 188 worth of Ceylon manufactures under this head were exported in 1912, as against Rs. 3,595 in 1911.

The weaving of a coarse kind of cloth in hand looms is carried on in the Eastern, Northern, and Central Provinces to supply purely local wants. The cloth, though strong and of hard wearing quality, is inferior in texture and finish to imported material. Lace-making is carried on in the Western Province.

In other districts baskets, tortoise-shell boxes, and combs are manufactured, and common earthenware for water pans and cooking utensils to meet local requirements.

Excellent furniture is made in the Western Province, especially at Moratuwa.

Jewellery of very fine workmanship is made in the Northern Province, but on a very small scale. It is a species of filigree work, prized by the Tamil population of the Island.

The indigenous crafts peculiar to the Kandyan country, i.e., silver and brass work, the making of jewellery, earthenware, and painted pottery, lacquer work, and ivory carving, continue to receive encouragement from the Kandyan Art Association. Specimens of these articles are kept in the Kandyan Art Museum, where they can be purchased.

Brass lamps, betel stands, plates, cooking utensils, and water pots are made in the North-Western and Eastern Provinces and at Negombo in the Western Province.

In the Mannar District of the Northern Province the drying and salting of fish gives employment to a large number of people. In 1912 about Rs. 240,000 worth of dried fish was exported from the Mannar District.

*(c) AGRICULTURE.**The Department of Agriculture.*

The Department of the Royal Botanic Gardens was superseded by the Department of Agriculture in May, 1912, on the arrival of Mr. R. N. Lyne to take up the new appointment of Director of Agriculture. The staff of the old Department was absorbed into the new, several important additions being made and the Department re-organized on a completely new footing, designed to meet the needs of the planting community, of native agriculture, and of research work.

Four young men have been sent by the Government to Poona College with a view to their forming eventually the nucleus of a staff for the agricultural education of the villager.

*Co-operative Credit Societies.*

Interest is beginning to be taken by the people of Ceylon in the Co-operative Credit Societies movement, and societies are springing up in various parts of the Island. The villagers are beginning to understand that relief from the excessive usury to which they are subject may be obtained through the medium of these societies.

*The Agricultural Society.*

The total number of subscribers is 1,704—828 local and 876 foreign.

The "Tropical Agriculturist" was at the end of the year acquired by the Society from Messrs. A. M. & J. Ferguson.

The Sinhalese Agricultural Magazine (Govikam Sangarawa) has a circulation of 3,250.

The number of Agricultural Instructors has been increased to twelve.

The effort at arousing interest through shows reached its climax in the All-Ceylon Exhibition which was held in July, 1912.

A cotton trial at Ambalantota in the south of the Island proved very successful, and encourages the belief that this product will thrive in that district. The variety grown was Allen's long staple American Upland, and the yield was 1,040 lb. of lint per acre.

The dissemination of improved varieties of fruit and vegetables is being continued; while the improvement of native methods of tillage, the introduction of transplanting and manuring in paddy growing, and of rotations in dry land cultivation are the chief concern of the Instructors.

The Board of Agriculture has taken energetic steps towards promoting the scheme for a College of Tropical Agriculture in Ceylon.

*Position of Agricultural Industries.*

The rubber industry was marked by steady progress. The export for the year amounted to 14,847,735 lb., as against 6,855,709 lb. in 1911.

Estimating that in the East 950,000 acres are under rubber, Ceylon may be credited with 200,000 acres.

The average price obtained in London was 4s. 8d. per lb.

The general condition of tea estates throughout the Island shows no deterioration. Cultivation has been well maintained, and the market has been good. Extensions to the tea area continue, but not to an extent likely to upset the balance of supply and demand.

The exports were 192,019,591 lb., as against 186,594,055 lb. in 1911.

The coconut crops of 1912 were shorter than they should have been owing to the drought of the two previous years. This loss was compensated by the steady prices maintained for all coconut palm products in 1912.

Cocoa passed through one of its best years. The exports amounted to 71,754 cwt. Prices were on the whole higher than in previous years. Good beans were during the latter part of the year selling at Rs. 72 per cwt.

The cardamom exports for 1912 were 440,000 lb., the shortest crop for many years. There has been a general falling off since 1909, due to want of rain during the blossoming period. Prices, however, were satisfactory. In Colombo well-bleached seed fetched Rs. 2.50 to Rs. 3 per lb., while the London average was about 4s.

The price of cinnamon during the year was good; fine grades fetched 90 cents and over. 53,086 cwt. were exported, as against 51,897 cwt. in 1911.

There was a decline in citronella cultivation, due to some of the citronella land having gone under rubber. The exports of citronella oil were 1,487,276 lb., as against 1,533,744 lb. in 1911.

*Diseases of Animals.*

**Cattle.**—Rinderpest prevailed chiefly in the North-Central and North-Western Provinces during April, May, and June. The total number of cases for the whole Island during 1912 was 9,103, of which 2,290 recovered, 6,096 died, and 717 were shot.

**Foot-and-mouth Disease.**—There were 485 cases reported, of which 470 recovered and 15 died.

**Dogs.**—In the year under review there were 60 cases of rabies reported, of which 48 gave positive results upon bacteriological examination and the other 12 negative. 46 persons went from Ceylon to the Pasteur Institute, Coonoor, for treatment.

**(D) LAND GRANTS AND GENERAL VALUE OF LAND.***Land Settlement.*

The Land Settlement Department is concerned with the settlement of title to lands as between the Crown and the subject.

During the year 1912 an area of about 96,000 acres was settled. Almost all claims continue to be settled without recourse to litigation.

The confidence of the people in the fairness of the settlements offered continues, and the increased facilities for acquiring land from the Crown are appreciated.

*Survey.*

The operations of the Survey Department for the period under review comprised 44,715 acres of block survey.

Forty-eight applications to purchase Crown land for rubber cultivation were dealt with during the period, covering 2,396 acres, chiefly in the Western, Southern, Uva, and Sabaragamuwa Provinces. In 1911 such applications numbered thirty-four, covering 1,079 acres.

Mannar town survey and the Mantivu island survey (acquisition for leper establishment) were completed during the year.

All lands sold are now permanently demarcated in accordance with the Land-marks Ordinance.

*Land Sales.*

Except in special cases, the alienation of Crown land in Ceylon is effected by the sale of the freehold at public auction. There is no general system of leaseholds. Where occupiers can prove prescriptive possession against the Crown, certificates of quiet possession are issued; and where the occupation has been for less than the prescriptive period, settlements may be effected on special terms.

The total extent of Crown land sold during 1912 was 30,692 acres, and the amount realized, including fees, Rs. 1,649,367.

The figures for the last five years are :—

				Extent sold.		Amount realized.
				Acres.		Rs.
1908	..	..	..	25,080	..	907,630
1909	..	..	..	28,828	..	991,866
1910	..	..	..	30,673	..	1,273,889
1911	..	..	..	27,947	..	1,269,597
1912	..	..	..	30,692	..	1,649,367

Omitting sales and settlements effected by the Land Settlement Department, the area alienated by the Government Agents during the twelve months included an extent of 4,356 acres in the Southern Province, 3,979 acres in the Western, 2,888 acres in the North-Western, and 1,544 acres in the Province of Uva.

The average price paid per acre ranged from Rs. 15 in the North-Central Province to Rs. 166 in the Western. In the principal coconut, rubber, and tea districts of the low-country, other than the Western Province, the average prices were: Jaffna Rs. 30, Batticaloa Rs. 36, Kurunegala Rs. 44, Puttalam Rs. 92, Matara Rs. 122, and Galle Rs. 147. In the tea and rubber districts of the Kandyan Provinces average prices ranged from Rs. 25 in Ratnapura and Rs. 27 in Uva to Rs. 46 in Matale, Rs. 84 in Kandy, and Rs. 89 in Kegalla.

(E) SHIPPING.

The total number of all vessels (including warships) which entered the ports of the Island in 1912 was 4,352, with a tonnage of 9,916,597 tons, showing a decrease of 3 vessels and an increase of 354,620 tons as compared with 1911.

The following table gives the total number and nett tonnage of shipping entered and cleared at all ports in Ceylon during the years 1911 and 1912 :—

	1911.			
	Entered.		Cleared.	
	No.	Tons.	No.	Tons.
Merchant vessels (with cargo and in ballast) ..	2,410	7,387,615	2,385	7,363,938
Merchant vessels (called to coal)..	691	1,872,580	691	1,873,141
Native sailing vessels ..	1,203	90,306	1,203	94,905
Warships ..	51	211,476	51	211,476
Total ..	4,355	9,561,977	4,330	9,543,460

1912.					
Merchant vessels (with cargo and in ballast) ..	2,430 ..	7,610,101 ..	2,453 ..	7,617,784	
Merchant vessels (called to coal)..	764 ..	2,032,397 ..	763 ..	2,030,048	
Native sailing vessels ..	1,120 ..	96,989 ..	1,101 ..	95,268	
Warships ..	38 ..	177,110 ..	38 ..	177,110	
Total ..	4,352	9,916,597	4,355	9,920,210	

Omitting warships and vessels calling to coal, the following tables give the distribution according to nationality, inwards and outwards, during 1912 :—

*Entered.*

Nationality.	With Cargo.		In Ballast.		Total.	
	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.
British ..	1,251	3,794,123	386	1,245,493	1,637	5,039,616
Colonial ..	872	76,198	136	7,588	1,008	83,786
German ..	166	556,722	55	258,947	221	815,669
French ..	83	267,929	46	161,696	129	429,625
Maldivian ..	110	12,870	2	333	112	13,203
Japanese ..	88	367,301	6	24,597	94	391,898
Austrian ..	63	200,346	26	61,730	89	262,076
Dutch ..	10	13,897	75	236,563	85	250,460
Russian ..	13	37,741	52	141,980	65	179,721
Norwegian ..	31	47,770	3	95	34	47,865
Italian ..	24	65,302	3	9,063	27	74,365
Spanish ..	6	15,457	21	51,418	27	66,875
Danish ..	15	34,696	4	10,485	19	45,181
Siamese ..	2	4,463	—	—	2	4,463
Swedish ..	—	—	1	2,287	1	2,287
Total ..	2,734	5,494,815	816	2,212,275	3,550	7,707,090

*Cleared.*

Nationality.	With Cargo.		In Ballast.		Total.	
	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.
British ..	873	2,832,400	789	2,217,406	1,662	5,049,806
Colonial ..	409	32,463	590	50,896	999	83,359
German ..	172	622,080	49	193,589	221	815,669
French ..	71	228,611	58	201,014	129	429,625
Maldivian ..	25	3,291	77	8,618	102	11,909
Japanese ..	79	336,582	14	53,709	93	390,291
Austrian ..	48	154,651	41	107,425	89	262,076
Dutch ..	12	31,159	72	218,401	84	249,560
Russian ..	58	161,385	7	18,336	65	179,721
Norwegian ..	1	757	33	47,108	34	47,865
Italian ..	15	38,877	12	35,688	27	74,365
Spanish ..	23	56,868	4	10,007	27	66,875
Danish ..	16	39,102	3	6,079	19	45,181
Siamese ..	1	2,234	1	2,229	2	4,463
Swedish ..	—	—	1	2,287	1	2,287
Total ..	1,803	4,540,260	1,751	3,172,792	3,554	7,713,052

Taking the figures inwards, we get the following comparative distribution according to nationality for 1911 and 1912 :—

	1911.		1912.	
	No.	Tons.	No.	Tons.
British ..	1,608	4,693,429	1,637	5,039,616
British Colonial ..	1,074	75,516	1,008	83,786
Total British Ships ..	2,682	4,768,945	2,645	5,123,402
German ..	238	944,461	221	815,669
French ..	137	448,025	129	429,625
Maldivian ..	131	14,856	112	13,203
Japanese ..	96	408,456	94	391,898
Austrian ..	69	219,916	89	262,076
Dutch ..	87	265,952	85	250,460
Russian ..	72	174,870	65	179,721
Norwegian ..	30	46,952	34	47,865
Italian ..	32	85,832	27	74,365
Spanish ..	26	61,387	27	66,875
Danish ..	9	19,348	19	45,181
Siamese ..	4	8,921	2	4,463
Swedish ..	—	—	1	2,287
Total Foreign Ships ..	931	2,698,976	905	2,583,688

The decrease apparent in the total of British ships is due to a falling off of Colonial sailing vessels. The decrease apparent in the total of foreign ships is mainly due to a difference of 19 Maldivian vessels and 17 German between the two years under comparison. But this is in part compensated by an increase of 20 Austrian and 10 Danish. British steamers continue to predominate both in number and tonnage, the increase in steamers being 29 and in tonnage 346,187 tons.

The figures below give the number and nett tonnage of British and foreign vessels entering the port of Colombo during each of the past five years, including vessels which called to coal :—

	No.	Tons.
1908 ..	3,005	7,525,824
1909 ..	2,983	8,091,423
1910 ..	3,339	8,847,184
1911 ..	3,299	8,920,552
1912 ..	3,397	9,370,843

### III.—LEGISLATION.

Among the new Ordinances passed during 1912 were :—

“The Chamber of Commerce (Amendment) Ordinance, No. 2 of 1912.”—The Ordinance of 1895 allowed five Directors (excluding the Chairman and Vice-Chairman). The new Ordinance provides for the appointment of not less than five nor more than ten Directors (excluding the Chairman and Vice-Chairman). The object of the change is to permit of every section of trade and commerce being represented on the Committee or Board.

“The Public Performances Ordinance, No. 7 of 1912.”—This Ordinance provides general powers for the prevention of objectionable performances, and for the protection of the public against the danger of fire, overcrowding, or disorder.

“The Excise Ordinance, No. 8 of 1912.”—This Ordinance was framed in conformity with the terms of a resolution adopted by the Legislative Council, which affirmed the expediency of altering the existing system of arrack and toddy renting and introducing a system of Excise on the lines followed in Madras, or an adaptation thereof to local conditions. The Ordinance deals in a comprehensive manner with the whole question of the manufacture and sale of intoxicating liquor of all kinds. It has also been made applicable to intoxicating drugs, such as bhang and ganja, bringing them under Excise control. Opium is excluded from its operation.

“The Medical Wants Ordinance, No. 9 of 1912.”—The object of this Ordinance was to consolidate the legislation relating to the medical wants of planting districts, and at the same time to introduce certain amendments. Under the existing law the system of medical aid extended only to immigrant labourers; under the new Ordinance it extends to all resident labourers, whether immigrant or native. The financial scheme of “The Medical Wants Ordinance, 1900,” has been re-adjusted so as to bring it into harmony with existing conditions. Special provision has been made to check infant mortality upon estates.

“The Diseases (Labourers) Ordinance, No. 10 of 1912.”—This Ordinance aims at the protection of labourers who are housed together in definite localities in such circumstances that any infectious disease which may break out among them is liable to assume an epidemic character. When any infectious or contagious disease breaks out upon any estate in a severe form the estate is to be visited by a District Medical Officer, who is to give the necessary directions for the treatment of the labourers either on the estate or in the hospital.

“The Game Protection (Amendment) Ordinance, No. 13 of 1912.”—The Ordinance provides—

- (1) Means for relaxing the restrictions on the shooting of wild elephants where they have become so numerous as to be a menace to the safety of the inhabitants of any district or to their crops or produce;
- (2) Enhanced penalties for the breach of a condition endorsed on a license;
- (3) For dealing with cases in which there is good reason to believe that a person is in possession of a tusker that has been unlawfully captured;
- (4) For dealing with the unlawful possession of game during the close and open seasons.

“The Lepers (Amendment) Ordinance, No. 15 of 1912.”—The object is to afford similar protection to the property of lepers detained under the Leper Ordinance, as is afforded to the property of minors and lunatics by the Civil Procedure Code.

"The Aerial Navigation Ordinance, No. 18 of 1912."—The Ordinance provides for the protection of the public, and also of the State, against the dangers which might arise through the use of aircraft with a view to observing military works.

An Ordinance further to amend "The Prevention of Cruelty to Animals (Amendment) Ordinance, No. 19 of 1912."—This Ordinance confers power on Municipal Magistrates and Village Tribunals, in addition to Police Magistrates, to make an order for the treatment of sick or injured animals in an infirmary. It also authorizes the appropriation of fines imposed under the Ordinance to the Society for the Prevention of Cruelty to Animals.

"The Land Acquisition (Amendment) Ordinance, No. 25 of 1912."—The object of the Ordinance is to allow of land being acquired for public purposes by way of exchange for other land the property of the Crown, instead of a pecuniary compensation, and to allow persons who desire to present land to the Crown for public purposes to do so under the Land Acquisition Ordinance without going through fictitious formalities.

"The Penal Code (Amendment) Ordinance, No. 26 of 1912."—The object is to deal with the Indian betting advertisements which are from time to time published in the local papers.

#### IV.—GOVERNMENT INSTITUTIONS.

(N.B.—Educational statistics, being for the most part based on the returns of the financial year, are omitted from this Report. See note on page 1.)

##### (A) HOSPITALS.

There are 76 Government hospitals, in addition to the Lunatic and Leper Asylums, equipped with modern hospital furniture and surgical appliances. The number of beds in the hospitals ranges from 30 to 425.

In addition to the hospitals, there are 418 outdoor Government dispensaries and 279 estate dispensaries supported by the planters, who get their drugs free up to a value of 50 cents per cooly per annum.

##### (B) MEDICAL INSTITUTIONS.

The Medical College accommodated in 1912 148 medical and 90 apothecary students, these numbers showing a decrease of 3 and increase of 9 respectively as compared with 1911. The full course of training for medical students is five years; a diploma in medicine, surgery, and midwifery (which can be registered in the United Kingdom) is granted to successful students. In association with the College there are a Bacteriological Institute with a small Clinic for Tropical Medicine attached; a laboratory for the Government Analyst; an ophthalmic hospital; a lying-in home; a women's hospital; a children's hospital; and special hospitals for the insane, lepers, and infectious diseases.

##### (C) ASYLUMS.

The Lunatic Asylum is situated in Colombo. There are 714 inmates.

The Leper Asylum is situated about 6 miles from Colombo, and contains 398 patients. A small establishment for lepers exists in the Eastern Province, and contains 36 patients. A large leper settlement is to be founded there shortly.

In association with Government, a Home for Incurables (containing 80 beds) is worked by a Committee of Government officials and representatives of the public.

#### (D) POOR HOUSES.

There are no poor houses in Ceylon. In Colombo and some other towns there are Friend-in-need Societies for the relief of distress, and these are subsidized by Government, the Colombo subsidy being Rs. 12,000 per annum. In addition to this, every Government Agent and Assistant Government Agent has an annual vote for "Allowances to Paupers"; the votes vary from Rs. 10,500 in the Colombo District to Rs. 660 in the Nuwara Eliya District; the maximum allowance is Rs. 5 a month.

#### (E) REFORMATORIES.

There are no Government reformatories in Ceylon, but by an arrangement with the Roman Catholic Mission the Maggona Industrial School is used as a reformatory for youthful offenders.

#### (F) SAVINGS BANKS.

There are two Government institutions, and the business of both showed a satisfactory working in 1911.

*Ceylon Savings Bank.*—The Ceylon Savings Bank had a sum of Rs. 5,380,286 to the credit of 38,146 depositors on December 31, 1912, as against Rs. 5,152,981 to the credit of 37,099 depositors on December 31, 1911.

The amount of the bank's invested funds on December 31, 1912, was Rs. 5,819,677. Interest is allowed on deposits at the rate of 3 per cent. on sums of Rs. 1,000 and over, and 4 per cent. on sums under Rs. 1,000.

*Post Office Savings Bank.*—At the end of 1912 there was a sum of Rs. 3,571,596.79 to the credit of 101,347 depositors approximately, as against Rs. 3,217,242 to the credit of 93,549 depositors at the end of 1911.

### V.—JUDICIAL STATISTICS.

#### (A) POLICE.

The authorized strength of the Police on December 31, 1912, was 1 Inspector-General, 7 Superintendents, 15 Assistant Superintendents, 24 Inspectors, 44 Sub-Inspectors, 59 Station House Officers, 257 Sergeants, and 2,019 Constables.

In addition, the strength of the European Police was 1 Inspector, 2 Sub-Inspectors, 4 Second Class Sergeants, and 24 Third Class Sergeants.

The cost of the force in 1912 was approximately Rs. 1,200,000.

#### (B) PRISONS.

There was an increase of 883 in the total number of admissions of convicted prisoners to the prisons of Ceylon during the year 1912, excluding Road Ordinance defaulters, of whom there were 166, as against 191 in 1911. The figures are as follows :—

1911	..	..	..	..	8,538
1912	..	..	..	..	9,421



The convictions for murder and manslaughter were 98, as against 106 in 1911. Of these 98, 48 were sentenced to be hanged. There were 29 executions in 1912, including 5 sentenced to be hanged in 1911. Of the 48 sentenced to be hanged, 43 were Sinhalese, 3 Tamils, 1 Moor, and 1 Malay. 19 convicts were deported to the Andamans for life.

There were 7 escapes during the year, and 8 recaptures.

The total number of deaths in jail was 167, as against 315 in 1911 and 238 in 1910—a marked improvement. The death-rate per 1,000 of the prisons population was 10·32, as against 20·98 in 1911 and 16·36 in 1910.

The daily average sick was 115·09, as against 180·82 in 1911 and 148·83 in 1910.

The number of punishments for prisons offences inflicted during the year was 1,199, a slight increase over the figures for 1911, which were 1,151, but lower than the figures for 1910, namely, 1,287.

The total number of individuals punished was 1,159, as against 1,093 for 1911. There were 26 cases of corporal punishment, as against 25 in 1911—an increase of one only.

Prisoners are employed on works of public utility and remunerative industrial labour, the demand for such work being still in excess of the supply. At the large central jail at Welikada the whole of the cloth required for prisoners' clothing is made by prison labour. All boots required for officers are also turned out. All clothing and bedding required by the Medical Health Department is made up free of charge. There are also parties of carpenters, black-and-tin-smiths, cane furniture makers, brush, broom, mat, and door rug makers, who execute large Government orders received from the Colonial Storekeeper and other Departments, as well as private orders.

The steam laundry continues to be a success. The total sum spent on the laundry since it was started in 1909 to June 30, 1913, has been Rs. 19,842; this sum includes initial cost, upkeep, and all working expenses. The sum of Rs. 17,763 was for the same period recovered and credited to Revenue, the charge to the Departments using the laundry being merely nominal, namely, 75 cents for every hundred pieces of linen washed. Welikada Prison also sends 240 prisoners daily to the Government Printing Office free of charge. At the convalescent jails at Negombo and Batticaloa prisoners are employed in making baskets for the Public Works Department.

Out of doors prisoners are chiefly employed in quarrying stone and breaking metal for the Public Works and Railway Departments and on reclamation works. At Mahara 540 prisoners are employed in the old quarries for the Harbour Works, while a new quarry was opened at the latter end of the year for the purpose of supplying granite setts and broken metal to the Government Factory Engineer. At Kandy, Galle, Chilaw, Anuradhapura, and Tangalla stone and metal are supplied to the Railway and Public Works Departments.

The Karaiur reclamation at Jaffna has made very good progress, and employs 400 prisoners daily on the works.

The portable prison at Mankulam has been greatly improved and brought into a thoroughly good sanitary condition. The 160 prisoners stationed there are employed in quarrying stone and breaking metal for the Irrigation Department. The prison not only affords useful remunerative labour for a large number of habitual criminals, but has proved a good deterrent.

Owing to the large number of prisoners located at Jaffna and Mankulam, it was found necessary to place the two prisons at these stations under a paid prisons official. This was found feasible without any extra cost to Government by closing the prison at Mutwal in July and transferring the officers and prisoners.

As in 1911, so great has been the demand for prison labour this year on such works as above noted that, notwithstanding the "penal stage" now being only one month, it is at times almost impossible to meet all demands.

## (C) CRIMINAL STATISTICS.

I.—*From a Return furnished by the Inspector-General of Police.*

The following table shows the fluctuations of the more important forms of serious crime :—

	1908.	1909.	1910.	1911.	1912.
Murder and homicide ..	201 ..	177 ..	209 ..	182 ..	179
Rape ..	129 ..	130 ..	131 ..	121 ..	80
Robbery ..	1,000 ..	937 ..	1,015 ..	798 ..	505
Burglary ..	2,570 ..	2,456 ..	1,957 ..	1,630 ..	1,582
Grievous hurt ..	329 ..	551 ..	731 ..	680 ..	552
Theft of cattle and prædial products ..	2,079 ..	1,656 ..	1,324 ..	1,366 ..	1,251
Arson ..	499 ..	391 ..	442 ..	383 ..	216

The figures show that there has been a decrease in all classes of crime.

The number of murders is below the average of the last four years. Of the murders, as usual nearly half the number were stabbing cases, and when the causes are examined an almost equal number are found to be due to sudden and unpremeditated quarrels. In 7 cases murder was committed for the sake of plunder, as compared to 2 cases in 1911. 29 cases were due to jealousy, 15 were the outcome of long-standing enmity, and 13 were due to land disputes.

II.—*From a Return furnished by the Solicitor-General.*

The number of cases instituted in the Police Courts and Municipal Magistrates' Courts during the year 1912 was 78,466.

The number of persons dealt with in the above cases was 85,679. The proportion per 100,000 inhabitants was 2,084.

1,527 persons were committed for trial before the Superior Courts. Of these, 19 were discharged on withdrawal of the indictments against them by the Attorney-General, 957 were convicted of various crimes, and the remaining 551 were acquitted.

Taking into account offences of a serious nature which, in certain circumstances, are summarily triable by Police Magistrates, altogether 1,748 persons would appear to have been convicted of serious crime during the year 1912.

Out of the 45 persons convicted of murder, 19 were transported to the Andamans, the sentence of death being commuted.

## VI.—VITAL STATISTICS.

## (A) POPULATION.

The estimated population of Ceylon on December 31, 1912, was 4,189,000, an increase of nearly 1 per cent. on that of the previous year. The increase was due to the natural excess of births over deaths and to the excess of arrivals over departures of Indian coolies.

The population comprised the various nationalities shown below :—

Nationality.	Numbers.	Percentage of Total Population.
Sinhalese .. ..	2,726,800	65.2
Tamils (indigenous) .. ..	611,100	14.5
Tamils (immigrants and their descendants) .. ..	518,500	12.4
Moors .. ..	267,400	6.4
Burghers .. ..	27,000	.6
Malays .. ..	13,100	.3
Europeans .. ..	7,700	.2
Others .. ..	17,400	.4

There is an excess of males over females in the population, viz., 113 males to 100 females, as contrasted with England and Wales, where the proportion is 94 males to 100 females.

*Births.*

The birth-rate for 1912 was 33 per mille, and was lower than the average 38. It appears to be gradually declining. The proportion of births to population in Ceylon is similar to that prevailing in other tropical countries, but considerably higher than the rate (about 25) in England and Wales. There were 105 male to every 100 female births.

*Deaths.*

The death-rate for the whole Island was 32, and was in excess of the average 28. The Ceylon rate appears to be lower than that of Bombay, but higher than those of Bengal, Madras, Jamaica, British Guiana, while it is more than double the death-rate in England and Wales. The infantile mortality was 215 per 1,000 births compared with an average of 183, and a rate in England and Wales of 105 to 1,000 births.

Snakebite, homicide, and suicide each accounted for 50 deaths per million of the population. There were 29 executions, i.e., 7 per million as compared with 4 per million in England and Wales.

The urban death-rate was 30 per mille, and rose from 9·7 in Nuwara Eliya, the sanatorium of Ceylon, to 67 in Anuradhapura. The lowest rates, as a rule, are found in the towns on the western seaboard.

The tea, rubber, and cocoa estates contain a population of about 578,200, mostly of Tamils immigrant from Southern India. The estate death-rate rose to 40 from an average of 35, and in one district was as high as 72.

## (B) PUBLIC HEALTH.

There was a slight improvement in the general health of the population during the year 1912 as compared with 1911, the death-rate being 32·72 as against 34·8 per thousand; the average death-rate between 1898 and 1908 (11 years) was 29 per annum per thousand, that from 1909 to 1911 31·02.

The following figures show the death-rate per thousand for the different Provinces :—

Western	..	..	..	24·6
Central	..	..	..	31·3
Eastern	..	..	..	32·9
Northern	..	..	..	35·6
North-Western	..	..	..	35·6
Southern	..	..	..	35·7
Uva	..	..	..	37·1
Sabaragamuwa	..	..	..	40·1
North-Central	..	..	..	54·1

*Causes of Death.*—The chief causes of death were fever (chiefly malaria), diarrhœa, dysentery, pneumonia, phthisis. Deaths from enteric fever showed a decrease from the previous year, numbering 461, as against 651, while those classified under the heading *ill-defined* increased to 36,417 from 33,064 in 1911; deaths registered as due to diarrhœa were 17,010 in 1912, as against 17,347 in 1911; dysentery 5,237, as against 4,743 in 1911; phthisis 4,306, as against 4,286 in 1911; and anchylostomiasis 1,843, as against 2,001 deaths in 1911.

There were only 13 deaths from cholera during the year, as against 277 in 1911 and 22 in 1910. Of the 13 deaths, 12 occurred in the Colombo District and the other in Jaffna; deaths from smallpox numbered 15, as against 89 in 1911 and 29 in 1910.

*Preventive Measures against Disease.*—Measures have been taken for the prevention of malaria by the free distribution of quinine, the circulation of leaflets, and lectures and demonstrations to the public through the officers of the Medical Department and the headmen.

The anti-malarial campaign at Kurunegala in the North-Western Province was continued.

*Anchylostomiasis*.—This disease, which is extremely prevalent amongst estate coolies, especially in the low-country, has been and is receiving considerable attention on the part of the Inspecting Medical Officers. A large number of estates have been visited by them, the incidence of this disease inquired into, and both prophylactic and medical treatment are being adopted.

*Parangi* (Yaws) has been treated successfully with Salvarsan in some of the hospitals, and arrangements are in progress to introduce it to other hospitals in parangi-stricken districts.

Vaccination is systematically carried on throughout the Island by a special staff; during 1912 140,501 subjects were vaccinated. The percentage of successful primary vaccination cases to total inspected was 93·3, while the percentage of successful re-vaccination cases was 71·71.

Stringent precautions are taken under the auspices of the Plague Committee to prevent the introduction of plague into Ceylon. The Island has hitherto been immune from the disease. One case of plague in a European was landed at Galle in July, 1912, the patient recovering.

There were 14 deaths from hydrophobia during 1912, as against 38 in 1911. The Ceylon Government gives an annual grant to the Pasteur Institute at Coonoor, and poor persons bitten by rabid animals and unable to meet the expense of the journey are sent there at the cost of the Government. Concerted action is being taken by the local authorities to stamp out rabies by enforcing the registration of dogs and by the destruction of homeless pariahs.

#### (C) SANITATION.

In the matter of sanitation the large towns are controlled by Municipalities, while others have Local Boards, or come under the Small Towns Ordinance.

The general expense of scavenging is met from rates recovered locally, and loans are made occasionally to local bodies for larger works of permanence, such as water supply, construction of drains, &c., the cost of which they are unable to meet in a lump sum.

The drainage of Colombo has been undertaken by Government at the request of the Municipal Council, the necessary funds being advanced by Government on loan, while further assistance is being given by the contribution of a part of the expenditure as a free grant.

The scheme provides for a complete system of sewers and rain water drains throughout the city, and for the disposal of the sewage by bacterial treatment upon modern lines.

Up to the end of 1912 86 miles of sewers and rain water drains had been laid, and connections had been made thereto from 463 premises.

*Water Supply Schemes*.—With the assistance of Government, partly by way of grant, partly of loan, various local bodies have undertaken the provision of an improved water supply for the towns under their control. Work on such schemes was in contemplation or in progress during 1912 for the towns of Kurunegala, Batticaloa, Mannar, Puttalam, Chilaw, and Matale.

#### (D) CLIMATE.

There is a marked variation in climate between the different parts of Ceylon. In the low-country, with a mean temperature of the order of 80° F., a noticeable feature is the small range of both temperature and pressure. There is, however, wide divergence between the moist conditions in the south-west of the Island, where the annual rainfall is often over 100 inches, and the dry zone areas of the north, north-west, and south-east.

Inland, with altitudes reaching 8,000 feet, the temperature is cooler and shows a bigger daily range, there is a corresponding change in vegetation, and the conditions are altogether more akin to those in the temperate zone.

*Rainfall, 1912.*—This was below normal in the north and north-east and above it in the south and south-west, chiefly owing to heavy rain in November and December.

Ratnapura again heads the list in absolute amount, viz., 149·95 inches, which is practically identical with the average for that station. At the other extreme Jaffna had 30·71 inches on 55 days, or 17·64 inches below its average.

Hambantota, which last year was the driest first class station with 39·3 inches, this year reached 59·48 inches, or 22·6 inches above its average.

Kandy had 75·89 inches on 192 days, being 6·4 inches in deficit; Galle was 10·7 inches in excess.

Colombo Observatory with 101·14 inches on 195 days was well above normal, but it must be remembered that the “average” is not fully established yet for this station. Comparisons with the average of the old Colombo Fort readings are hardly admissible.

*Temperature.*—The mean temperature for the whole year was highest at Mannar, 83·2° F.; and lowest at Hakgala (near Nuwara Eliya), 58·4° F.

At the Colombo Observatory and at Kandy the mean temperature was 81·0° F. and 76·6° F. respectively.

The highest temperature reached in the Island during 1912 was 100·2° F. on August 10 at Anuradhapura. The highest on record is 103·7° F. at Trincomalee on May 12, 1890.

The highest temperature reached at the Colombo Observatory in 1912 was 96·2° F. on February 28 and March 15.

The mean daily range of temperature, i.e., the mean of the daily difference between the maximum and minimum temperatures, was highest at Badulla, 19·0° F.; and lowest at Galle, 9·5° F.

## VII.—POSTAL, TELEGRAPH, AND TELEPHONE SERVICES.

One new post office and eleven new receiving offices were opened during the year 1912. Three offices were converted into combined post and telegraph offices. The total number of offices now is 476, of which 308 are receiving offices for the sale of postage stamps and delivery of letters, while 168 are money order and savings bank offices, and of these 119 are also telegraph offices.

The total estimated number of articles, exclusive of parcels, which passed through the post amounted to nearly 41 millions, against 40 millions in the year 1911.

The total number of parcels dealt with was 658,479, an increase of 69,167 over the previous year. The business done is shown as follows:—

		1911.		1912.
Total number of parcels ..	..	589,312	..	658,479
To the United Kingdom ..	..	12,502	..	14,838
From the United Kingdom ..	..	28,414	..	34,687
To other countries ..	..	38,624	..	47,967
From other countries ..	..	131,382	..	151,403

The following are the figures for money orders:—

		1911.		1912.
	Number.	Value. Rs.	Number.	Value, Rs.
Inland ..	401,636	11,615,385	434,011	13,197,182
Indian ..	248,963	7,587,354	280,227	8,319,899
United Kingdom ..	11,454	521,837	13,259	542,016
Other Countries ..	13,110	965,258	13,626	1,054,834

The increase in telegrams is shown in the following figures :—

	1911.	1912.
Inland .. .. .	712,990 ..	813,722
Indian .. .. .	161,736 ..	170,209
Other Countries .. .. .	87,516 ..	94,868

*Postal Improvements.*—On the completion of the railway extension from Avissawella to Ratnapura the mails hitherto conveyed by horse and bullock coaches between these two stations were transferred to the railway and an improved service established. Negotiations were concluded for the extension of the value-payable parcel system to the Straits Settlements to come into force from January 1, 1913.

*Combined Postage and Revenue Stamps.*—New combined postage and revenue stamps were introduced, and the revenue stamps hitherto in use withdrawn from circulation.

*Telegraphs.*—The work entrusted to the Marconi Wireless Telegraph Company for the construction of a Wireless Telegraph Station at Colombo was completed and the station opened to the public on July 22. This station has a range of 400 knots by day and 1,000 knots by night.

A deferred telegram system was introduced whereby the senders of private telegrams in plain language to the United Kingdom and several other countries can obtain the benefit of a reduction of 50 per cent., such telegrams being transmitted after telegrams charged at full rate have gone forward.

Telegraph rates between India and Ceylon were reduced from 20 cents a word to 12 words for one rupee.

Arrangements were made for the acceptance and delivery of telegrams by telephone at offices connected with telephone exchanges, a fee of 15 cents being charged for each message sent or received in addition to the usual cost of the telegram. The special charge is, however, waived in districts where the telephone has been put into a post office at the expense of private persons.

*Telephones.*—In 1896, the year that Government took over the Telephone Exchange from the Oriental Telephone Company, there were 130 telephones in use; there are now over 1,300. A telephone trunk line was opened from Kandy to Hatton. Telephone trunk line call offices were opened at Hatton and Kalutara.

## VIII.—PUBLIC WORKS.

### (A) PUBLIC WORKS DEPARTMENT.

The total expenditure of the Public Works Department for the year 1912 was Rs. 7,581,768—an increase of Rs. 664,963 over 1911.

The total length of roads maintained by the Public Works Department during the year was 3,940 miles, of which 3,631 miles are cart roads and 309 miles are bridle roads.

The special expenditure on roads and bridges for 1912 under the programme of Works chargeable to Surplus Balances amounted to Rs. 348,940.

Amongst the more important works completed during the year were the Wireless Telegraph Station, Colombo; the Hydro-Electric Installation, Nuwara Eliya; new wards at the Anuradhapura Hospital; and a number of new roads.

The following works were in progress, but had not been completed at the close of the year :—The Government Distillery at Kalutara, the new Royal College, the extension to the Treasury and extensions of jetties and Customs premises in Colombo, the Mannar water supply, two important hospitals in the planting districts, and various roads and bridges.

## (B) COLOMBO HARBOUR WORKS.

The total expenditure upon the harbour works proper during 1912 amounted to Rs. 1,163,018·53; the total expenditure since the commencement of the South-west Breakwater in 1873, including maintenance charges, being Rs. 44,364,701·15.

*New Arm, South-west Breakwater.*—This structure, including the lighthouse, was finished by May 1, on which date the commemoration stone recording the completion of the harbour works was laid by His Excellency the Governor.

*Graving Dock.*—The Dock was occupied on fifteen occasions during the year. The revenue amounted to Rs. 20,576·60, and the expenditure to Rs. 56,088·46.

*Patent Slip.*—The Slip was used on thirty-five occasions, producing a revenue of Rs. 27,286; the working expenses amounted to Rs. 18,282·90.

*Deepening of the Harbour.*—In order that there should be ample accommodation in the Colombo harbour for vessels of deep draught when the improvements in the Suez Canal now being undertaken are complete, a dredging scheme to provide mooring berths capable of taking passenger, cargo, and coal steamers of more than the maximum draught which will be allowed to pass through the Suez Canal has been sanctioned by Government. This scheme of dredging necessitated the provision of a new and larger dredger, which it was expected would be delivered in Colombo in time to afford the necessary deep water accommodation early in 1914, by which time the Suez Canal authorities anticipated that vessels of 30 feet draught would be permitted to pass through the canal.

## (C) GOVERNMENT RAILWAY.

(The returns of the open line, being based on the financial year, are not dealt with in this Report.)

*Extensions.*

*To Chilaw.*—This line is a continuation of the Negombo line, which was opened in December, 1909, and is 27 miles in length. It runs through the thickly populated districts of the west coast, north of Colombo, and will serve the richest coconut district in the Island. The line is constructed to a gauge of 5 ft. 6 in. All stations will be interlocked. The construction of the line was in December, 1912, about half completed. The total estimated cost of the extension is Rs. 3,932,053, and the actual cost up to December 31, 1912, was Rs. 2,180,334.

*Ratnapura Extension.*—This is an extension of the 2 ft. 6 in. gauge from Avissawella to Ratnapura. The line was completed and opened for traffic throughout by His Excellency Sir Henry MacCallum on April 18, 1912. The total estimated cost of the line was Rs. 2,953,408, and the actual amount debited to the construction funds up to December 31, 1912, was Rs. 2,829,227. There are a few minor works still to complete, the cost of which is light. The line passes through a rich tea and rubber district.

*Pelmadulla Extension.*—This is a further extension of the narrow gauge line from Ratnapura, in length some 17 miles, and will serve one of the richest rubber districts in the Island. The line throughout follows the valley of the We-ganga. The estimated cost of this extension is Rs. 2,253,414. The construction of the line was sanctioned in June, 1912. The line for the first 7 miles traverses fairly easy country; but after this mileage the ground is very sidelong and broken, necessitating heavy banks and deep cuttings.

*Badulla Extension.*—The construction of this line was sanctioned by the Secretary of State on November 22, 1912, and the setting out of certain deviations, &c., was taken in hand at once. The line will be 21 miles in length, and traverses throughout hilly and broken country. Steep gradients are necessary

owing to the difference in height of Bandarawela and Badulla, the former town being 4,103 feet above mean sea level, and the latter 2,228 feet. Bandarawela is the present terminus of the Main line. The total estimate for the work is Rs. 5,254,443.

*Colombo Stations Extension.*—This scheme comprises the construction of new stations at Maradana and the Fort; new railway stores, engine sheds, and yard; totally remodelling the old goods yards; the erection of three new main goods sheds, each 650 feet in length; provision of large cart areas and approaches, all paved with sett paving; the construction of two lake basins with quay walls, and the provision of cranes for same; the construction of two new yards and sheds complete for narrow gauge traffic; the duplication and deviation of the main lines across the lake; and the extension of the narrow gauge line to the Fort. The total estimated cost of these works amounts to Rs. 6,229,234, out of which Rs. 4,280,064 was spent up to December 31, 1912.

*Main Line Duplication from Colombo (Base Line Road) to Ragama and from Slave Island to Moratuwa.*—This work was far advanced in December, 1912. It included totally new buildings at six stations from Colombo southwards, and large additions to five other stations. The total estimate for the work is Rs. 2,697,356, and the cost up to December, 1912, was Rs. 2,454,783·34.

*Sea Coast Protection Works.*—To counteract the encroachment of the sea, heavy protection work consisting of tipping heavy rubble blocks varying in size from 13 tons downwards was taken in hand between Galle Face curve and Wellawatta station. At the end of 1912 this work was approaching completion. The estimate for the work was Rs. 437,310, and the cost up to December, 1912, was Rs. 438,655·72. To the estimate a sum of Rs. 40,000 should be added, increasing it to Rs. 477,310, being amount since recovered from the Stations Extension by the transfer of the quarry at Ragama to that extension.

*Lines under Survey.*—A further extension of the Pelmadulla line from Kahawatta to Opanayaka is contemplated. This extension is only 6 miles in length, and connects the Ratnapura-Balangoda road at the foot of the Balangoda Pass with Kahawatta station, the Pelmadulla terminus. This line will serve the large tea district of Balangoda.

*Mannar.*—The North Pier at Talaimannar and the bridges spanning the seaway between the island of Mannar and the mainland of Ceylon were completed in October, 1912.

The north-east rains delayed the advance of rail head; but less than 10 miles of line remained to be laid by the end of the year, while the station buildings and railway staff quarters were nearly all built.

#### (D) IRRIGATION.

The total expenditure on the construction of irrigation works for the year ended December 31, 1912, was Rs. 264,639·63, the expenditure for the previous twelve months being Rs. 314,846·49.

The expenditure on the maintenance of irrigation works during the same period was Rs. 124,497·22. This covers only the major works, there being in addition a very large number of village works which are maintained as far as possible by unskilled labour by the people owning the land irrigated by them.

The work of the year consisted chiefly in pushing on the construction of the five large works already undertaken, the commencement of the Tabbowa scheme in the North-Western Province (a combined irrigation and water supply scheme), and making good the damage caused by floods. Agricultural roads were opened on the completed irrigation works where they were found to be most needed.



## IX.—GENERAL.

## (A) IMPORTANT EVENTS.

His Excellency Sir Henry McCallum returned to the Island on January 3 after his official visit to Delhi to represent Ceylon at the Coronation celebrations.

In March Dr. P. H. Bahr arrived in Ceylon to conduct an investigation into the disease known as "Ceylon sore mouth," or "Sprue," under the auspices of the London School of Tropical Medicine.

On May 1 the new arm of the South-west Breakwater of the Colombo Harbour was opened by the Governor.

In July the wireless telegraph installation at Colombo was completed and opened for the use of the public.

The All-Ceylon Exhibition, the first of its kind on so large a scale, was held under the auspices of the Agricultural Society in the Victoria Park, Colombo, during the first week in July.

Ceylon was officially represented at the New York Rubber Exhibition held in September-October.

In December the Regular Troops and Volunteer Corps were inspected by General Sir Ian Hamilton, Inspector-General of the Oversea Forces.

The first successful aeroplane flights seen in Ceylon were given by two French aviators in Colombo in the same month.

Amongst distinguished visitors to the Island in the course of the year were His Serene Highness Prince Alexander and Her Royal Highness Princess Alexander of Teck, His Imperial Highness the Grand Duke Boris of Russia, His Royal Highness Prince Waldemar of Denmark, Their Royal Highnesses the Crown Prince and Princess of Sweden, and the Right Honourable Sir J. West Ridgeway, Governor of the Island from 1896 to 1903.

## (B) PUBLIC SERVICE.

The premature retirement of the Governor, His Excellency Sir Henry McCallum, G.C.M.G., is recorded with regret. After a serious indisposition in July His Excellency was again taken ill in December, and acting on medical advice was compelled to return to England shortly after the close of the year.

Sir Hugh Clifford, K.C.M.G., Colonial Secretary, left the Island in September on his promotion to the office of Governor of the Gold Coast.

Mr. L. W. Booth, Ceylon Civil Service, acted as Colonial Secretary on the departure of Sir Hugh Clifford, pending the arrival of Mr. R. E. Stubbs in January, 1913.

In February His Excellency Sir A. E. Bethell, K.C.M.G., was appointed to succeed His Excellency Sir E. J. W. Slade, K.C.I.E., K.C.V.O., as Naval Commander-in-Chief, East Indies Station.

Mr. J. P. Middleton and Mr. Joseph Grenier, Puisne Justices of the Supreme Court, retired during the year, being succeeded by Mr. J. C. W. Pereira, K.C., and Mr. G. F. M. Ennis, lately Judge of the High Court of Uganda.

Mr. Justice Middleton received the honour of knighthood in June.

Other retirements from the Public Service during the year included those of Messrs. H. C. P. Bell, C. M. Lushington, C. D. Vigors, K. Macleod, G. M. Cookson, and L. S. Woolf of the Civil Service; Dr. J. C. Willis, Director of the Royal Botanic Gardens; Dr. J. B. Spence, Medical Superintendent of the Lunatic Asylum; Lieut.-Colonel F. E. G. Skey, Commanding Royal Engineer;

Dr. R. H. Lock, Assistant Director of the Royal Botanic Gardens; Mr. W. Dunuwille, Police Magistrate, Matale; Mr. P. de Saram, Itinerating Police Magistrate, Western Province; Mr. R. E. Tickell, Resident Engineer, Colombo Drainage Works; and Mr. H. O. Barnard, Assistant Surveyor-General.

The deaths of the following members of the Public Service are recorded with regret:—Mr. J. B. Dutton of the Civil Service and Mr. E. L. Mitford, who retired from the office of Government Agent of the North-Western Province at the age of 56 in the year 1866.

#### (c) THE EXCISE COMMISSION.

The Excise Ordinance, No. 8 of 1912, was passed by the Legislative Council on May 31, 1912. It was not, however, brought into force till January 1, 1913.

The Ordinance prepared the way for radical changes tending towards the introduction into Ceylon of an excise system based on the lines which have been successfully followed in Madras, but adapted to the conditions of Ceylon. It provides machinery for bringing under Government control all operations connected with the production and distribution in Ceylon of all alcoholic liquors and of certain intoxicating drugs, including cocaine, bhang, and ganja, and all forms thereof.

Changes in the old renting system were introduced step by step, the first being the separation of the arrack and toddy rents. The same renters had prior to July, 1912, purchased the right to sell toddy together with the right to sell arrack; but as from July, 1912, the right to retail toddy was sold at auction independently, in the great majority of cases for areas of a few square miles only, the number of taverns being strictly limited. The villages in which toddy taverns should be established were selected with a view to supplying those districts in which a demand for toddy existed and putting down illicit sale. It was found possible to exclude from the toddy rent sales the whole of the North-Central Province, the largest of the nine Provinces of the Island. Meanwhile the arrack rents were sold for the same areas as during the immediately preceding years.

Work was continued on the Government experimental distillery, and regulations were framed introducing changes in the licensing and conduct of premises authorized to sell imported liquor. These regulations, however, were not put into operation until July 1, 1913.

During the year an Excise Department was formed, and its officers put through a course of training and allotted definite spheres of operations in the field.

#### (D) IMMIGRATION AND EMIGRATION.

The term "immigration" in Ceylon is commonly used with reference to the immigration of native labour from the South of India for the tea and rubber plantations. There is no opening in Ceylon, as in the self-governing Colonies, for the immigration of white labour.

The number of immigrant labourers who arrived in Ceylon in 1912 was 117,475, as against 97,536 in 1911 and an average during the previous six years of about 78,000. The arrivals are, however, largely counterbalanced by the departures, which in the official returns are given at 77,840 for 1912.

Apart from coolies returning to their homes, the main stream of emigration from Ceylon is rather to the Straits Settlements and the Malay States than to India, and the number of Ceylonese, especially from the North of the Island, who of late years have sought a living in the countries named is considerable.

**(E) OPENINGS FOR INVESTMENT OF CAPITAL.**

The cultivation of tea, rubber, and coconuts continues to offer the chief openings for the investment of capital. Coconuts in particular are now attracting European capital, and, should it once be established that they can be successfully grown under irrigation, there is the prospect of considerable extension of this industry in the North-Western Province, and even in the drier districts of the North-Central Province.

The plumbago mining and gemming industries, as well as the cultivation of tobacco, are almost exclusively in native hands. The market for the tobacco now produced being limited, there is little, if any, room for the extension of its cultivation on present lines. But it is believed that, with more up-to-date methods of cultivation and curing, this crop can be grown with profit for the European market. Similarly, in the drier districts the cultivation of cotton offers possibilities as yet undeveloped.

January, 1914.

**A. N. GALBRAITH,**  
Second Assistant Colonial Secretary.



## COLONIAL REPORTS, &c.

The following recent reports, &c., relating to His Majesty's Colonial Possessions have been issued, and may be obtained from the sources indicated on the title page:—

### ANNUAL.

No.	Colony, &c.	Year.
764	Falkland Islands .. .. .	1912
765	Northern Territories of the Gold Coast .. .. .	"
766	Bahamas .. .. .	"
767	Gambia .. .. .	"
768	Fiji .. .. .	"
769	Basutoland .. .. .	1912-1913
770	Gold Coast .. .. .	1912
771	Ashanti .. .. .	"
772	Nyasaland .. .. .	1912-1913
773	Bechuanaland Protectorate .. .. .	"
774	British Solomon Islands .. .. .	"
775	Colonial Survey Committee .. .. .	"
776	Tongan Islands Protectorate .. .. .	1911-1913
777	Swaziland .. .. .	1912-1913
778	Imperial Institute .. .. .	1912
779	Barbados .. .. .	1912-1913
780	British Guiana .. .. .	"
781	Entomological Research Committee .. .. .	"
782	Southern Nigeria .. .. .	1912
783	Jamaica .. .. .	1912-1913
784	British Honduras .. .. .	1912
785	Northern Nigeria .. .. .	"
786	Malta .. .. .	1912-1913
787	Uganda .. .. .	"
788	Mauritius .. .. .	1912
789	Straits Settlements .. .. .	"
790	Trinidad and Tobago .. .. .	1912-1913
791	East Africa Protectorate .. .. .	"
792	Grenada .. .. .	1912
793	Leeward Islands .. .. .	1912-1913
794	St. Lucia .. .. .	"
795	St. Vincent .. .. .	"
796	Bermuda .. .. .	1912

### MISCELLANEOUS.

No.	Colony, &c.	Subject.
78	Weihaiwei .. .. .	Census, 1911.
79	Northern Nigeria .. .. .	Mineral Survey, 1907-8 and 1908-9.
80	Nyasaland .. .. .	Mineral Survey, 1908-9.
81	Southern Nigeria .. .. .	Mineral Survey, 1908-9.
82	Imperial Institute .. .. .	Rubber and Gutta-percha.
83	Southern Nigeria .. .. .	Mineral Survey, 1910.
84	West Indies .. .. .	Preservation of Ancient Monuments, &c.
85	Southern Nigeria .. .. .	Mineral Survey, 1911.
86	Southern Nigeria .. .. .	Mineral Survey, 1912.
87	Ceylon .. .. .	Mineral Survey.







# COLONIAL REPORTS—ANNUAL.

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No. 802.

CEYLON.

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REPORT FOR 1913.

(For Reports for 1911-12, see Nos. 758 and 797.)

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Presented to both Houses of Parliament by Command of His Majesty.  
*August, 1914.*

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## CONTENTS.

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	PAGE
I.—Financial .. .. .	1
II.—Trade .. .. .	6
III.—Agriculture and Industries .. .. .	12
IV.—Shipping .. .. .	15
V.—Legislation .. .. .	16
VI.—Education .. .. .	17
VII.—Government Institutions .. .. .	18
VIII.—Crime .. .. .	19
IX.—Vital Statistics .. .. .	19
X.—Postal Service .. .. .	21
XI.—Public Works .. .. .	21
XII.—Colombo Port Commission.. .. .	22
XIII.—Excise Commission .. .. .	23
XIV.—Immigration .. .. .	24
XV.—General .. .. .	24

Map of Ceylon.



# REPORT ON THE CEYLON BLUE BOOK FOR 1913.

[NOTE.—This Report deals with statistics for the calendar year 1913, except in the section dealing with finance, where the figures are based on the returns for the financial year, viz., July 1, 1912, to June 30, 1913.]

## I.—FINANCIAL.

### GENERAL REVENUE AND EXPENDITURE.

THE revenue for 1912–13 amounted to Rs. 51,172,535, being an increase of Rs. 3,926,313 over the revenue for the preceding twelve months.

The expenditure was Rs. 47,670,928, an increase of Rs. 3,033,828.

The revenue and expenditure of the Colony during the last six years has been :—

Year.	Revenue. Rs.	Expenditure. Rs.
1907 .. ..	36,573,825	32,591,522
1908 .. ..	35,572,849	35,032,055
1909 .. ..	39,332,861	35,789,398
1910–11* .. ..	43,741,758	39,302,822
1911–12 .. ..	47,246,222	44,637,100
1912–13 .. ..	51,172,535	47,670,928

\* Proportion for twelve months.

The revenue in 1902 was Rs. 28,435,158. The revenue of the Colony has, therefore, increased by 80 per cent. during the decade. It exceeds by no less than Rs. 10,679,031 the average revenue of the five preceding years.

The detailed figures for 1911–12 and 1912–13 are as follows :—

#### Revenue.

	1911–12. Rs.	1912–13. Rs.	Increase. Rs.	Decrease. Rs.
1. Customs .. ..	12,554,534	13,388,630	834,096	—
2. Port, Harbour, Wharf, Warehouse, and other Dues ..	2,924,519	3,050,255	125,736	—
3. Licenses, Excise, and Internal Revenue not otherwise classified ..	10,128,717	10,687,701	558,984	—
4. Fees of Court or Office, Payment for Specific Services, and Reimbursements in Aid ..	1,799,056	1,838,114	39,058	—
5. Post and Telegraphs ..	1,849,382	1,207,780	—	641,602
6. Government Railway ..	14,052,651	15,694,869	1,642,218	—
7. Interest ..	1,226,774	1,403,570	176,796	—
8. Miscellaneous Receipts ..	581,074	1,616,706	1,035,632	—
9. Land Revenue (exclusive of Land Sales) ..	449,469	572,581	123,112	—
10. Land Sales ..	1,680,046	1,712,329	32,283	—
<b>Total ..</b>	<b>47,246,222</b>	<b>51,172,535</b>	<b>4,567,915</b> <b>641,602</b>	<b>641,602</b>

Nett Increase .. 3,926,313

*Expenditure.*

	1911-12. Rs.	1912-13. Rs.	Increase. Rs.	Decrease. Rs.
1. Public Debt..	4,333,122	4,440,818	107,696	—
2. Military Expenditure	1,724,681	1,900,273	175,592	—
3. Pensions ..	1,474,528	1,589,447	114,919	—
4. Ecclesiastical ..	3,120	3,140	20	—
5. Exchange ..	322,026	346,819	24,793	—
6. His Excellency the Governor	183,982	188,145	4,163	—
7. Civil Service ..	1,014,192	1,050,257	36,065	—
8. Clerical Service ..	1,133,907	1,319,361	185,454	—
9. Secretariat ..	275,521	403,363	127,842	—
10. Controller of Revenue ..	2,996	3,453	457	—
11. Treasury ..	41,894	49,699	7,805	—
12. Audit Office ..	43,285	54,987	11,702	—
13. Provincial Administration ..	874,418	934,081	59,663	—
14. Settlement Officer ..	92,211	108,803	16,592	—
15. Survey Department ..	1,224,861	1,188,554	—	36,307
16. Government Stores ..	157,912	192,120	34,208	—
17. Immigration and Quarantine	218,291	273,643	55,352	—
18. Customs ..	227,584	203,159	—	24,425
19. Post Office ..	1,909,419	2,242,144	332,725	—
20. Forest Department ..	280,927	292,625	11,698	—
21. Railway Department ..	6,270,484	7,372,832	1,102,348	—
22. Port and Marine, Colombo ..	534,291	601,108	66,817	—
23. Port and Marine other than Colombo ..	37,270	36,997	—	273
24. Legal Departments ..	785,195	813,335	28,140	—
25. Police ..	1,138,379	1,284,856	146,477	—
26. Prisons ..	544,132	566,217	22,085	—
27. Medical Department ..	3,118,576	3,045,601	—	72,975
28. Education ..	1,707,218	1,839,795	132,577	—
29. Botanic Gardens ..	147,697	168,475	20,778	—
30. Colombo Museum ..	42,099	43,120	1,021	—
31. Archæological Commissioner..	116,955	108,194	—	8,761
32. Veterinary Department ..	77,512	102,378	24,866	—
33. Agricultural Society ..	30,048	30,000	—	48
34. Mineralogical Survey ..	15,672	42,714	27,042	—
35. Inspector of Mines ..	16,591	18,125	1,534	—
36. Inspector of Factories ..	5,397	5,369	—	28
37. Registrar of Patents ..	4,402	4,467	65	—
38. Miscellaneous Services ..	1,460,388	1,985,507	525,119	—
39. Irrigation Department ..	361,361	416,649	55,288	—
40. Irrigation Annually Recurrent	130,030	168,108	38,078	—
41. Public Works Department ..	692,405	757,046	64,641	—
42. Public Works Annually Re- current ..	2,890,125	3,099,525	209,400	—
43. Public Works Extraordinary	2,060,109	2,389,261	329,152	—
44. Irrigation Extraordinary ..	208,879	184,847	—	24,032
45. Railway Works Extraordinary	1,584,412	1,367,639	—	216,773
46. Works chargeable to Surplus Balances ..	5,118,596	4,433,872	—	684,724
Total ..	44,637,100	47,670,928	4,102,174 1,068,346	1,068,346
Nett Increase ..			3,033,828	

The revenue exceeded the estimate by Rs. 5,939,735. Of the ten heads of revenue, nine exceeded the estimate by Rs. 6,647,955, the remaining head, No. 5, Post and Telegraphs, falling short of the estimate by Rs. 708,220.

The short fall under this head is more than accounted for by a short fall of Rs. 775,813 on the sub-head Postage Stamps, due to the adoption of one stamp for postage and revenue purposes, and the consequent transfer of the proceeds of postage stamps to Head 3, the revenue under which head exceeded the estimate by Rs. 1,020,601.

The expenditure showed a saving of Rs. 3,610,155 on the original estimate. The following statement shows the main items of expenditure during 1912-13 on works chargeable to surplus balances :—

	Rs.
Protection of Sea Coast Railway Line .. ..	65,543
Kalutara Bridge .. ..	15,206
Colombo Defences .. ..	40,628
Completion of Interlocking Points and Signals ..	67,004
Colombo Customs (Quay Wall and Jetties) ..	94,033
Bandarawela Motor Mail Service .. ..	38,982
Deepening Colombo Harbour .. ..	179,203
Police Stations .. ..	95,849
Hospitals .. ..	142,523
Precautions against Infectious Diseases ..	53,737
Roads and Bridges .. ..	382,180
Royal College .. ..	82,968
Survey and Settlement .. ..	448,422
Water Supply to Minor Towns .. ..	40,285
Medical College .. ..	64,482
Railway to Chilaw .. ..	1,260,037
Rolling Stock for Railway .. ..	306,932
Extension to General Treasury .. ..	50,369
Railway Works .. ..	368,792
Pelmadulla Railway .. ..	437,510
Badulla Railway .. ..	174,328

Apart from ordinary expenditure, the following statement shows the expenditure during the twelve months on Public Works Extraordinary chargeable to Loan Funds. This expenditure was met by advances from surplus balances pending the raising of a further loan :—

	Rs.
Colombo Harbour Works .. ..	277,294
Colombo Stations Extension .. ..	667,137
Ratnapura Railway .. ..	51,147
Duplication of Line, Ragama to Moratuwa ..	200,435
Colombo Lake Development .. ..	276,786
Karaiur Reclamation, Jaffna .. ..	16,197
Irrigation Works .. ..	64,707
Mannar Railway .. ..	894,510
Colombo Drainage Works .. ..	250,000
Motor Traction as feeders to Railway, including improvements to roads .. ..	32,659
Railway Works (additional Engines and Rolling Stock) ..	1,194,610
<b>Total ..</b>	<b>3,925,482</b>

Similar advances from the balances of the Colony were made in 1910-11 and 1911-12, and the total advances to loan account are Rs. 10,669,004, made up as follows :—

	Rs.
During 1910-11 .. ..	2,736,934
Do. 1911-12 .. ..	4,006,588
Do. 1912-13 .. ..	3,925,482
<b>Total ..</b>	<b>10,669,004</b>

This sum will be recovered from Loan Funds when the balance of the loan authorized by Ordinance No. 6 of 1909 is raised.

## ASSETS AND LIABILITIES.

The assets of the Colony on June 30, 1913, were Rs. 34,592,646, and the liabilities Rs. 12,350,483.

The chief assets were :—

	Rs.
Cash in the hands of the Treasurer, the Government Agents, and the local banks .. ..	6,378,851
Investments .. ..	12,298,816
Advance for the Colombo Drainage Works .. ..	10,031,538
Value of stores in hand .. ..	2,779,680
Loans to local bodies .. ..	1,120,568
Advance for the Colombo Waterworks .. ..	700,000
Miscellaneous advances .. ..	844,854

The chief liabilities were :—

	Rs.
Widows' and Orphans' Pension Fund .. ..	6,966,369
General Deposits .. ..	3,914,270

## PUBLIC DEBT.

On June 30, 1913, the public debt of Ceylon stood as follows :—

	£
Nett Sterling Debt .. ..	4,919,413
Nett Silver Debt (Rs. 2,363,192) .. ..	157,546
Total .. ..	<u>5,076,959</u>

The following statement shows in sterling the revenue and nett amount of debt for the last five years :—

Year.	Revenue.	Nett Amount of Debt.
	£	£
1908 .. ..	2,371,523	4,090,229
1909 .. ..	2,622,190	4,444,381
1910-11* .. ..	2,916,117	5,312,419
1911-12.. ..	3,149,748	5,200,854
1912-13.. ..	3,411,502	5,076,959

\* Proportion for twelve months.

It will be seen that the total indebtedness is approximately one and a half times the annual revenue.

Of the 3½ per cent. loan of £3,436,854 authorized by Ordinance No. 6 of 1909 to meet the cost of the Colombo Harbour and Drainage Works, the Mannar Railway, and other railway public works, a sum of £1,500,000 has already been raised, the price of issue being 98½ per cent. No further portion of the loan has yet been raised, as the surplus balances of the Colony admit of advances being made to works chargeable to the loan, in anticipation of settlement when the balance or a further portion of the loan is raised.

## CURRENCY.

The currency of Ceylon consists of—

Copper : Ceylon 1-cent and ½-cent pieces, 6¼ cents being equivalent to the 1d. English.

Nickel : Ceylon 5-cent piece.

Silver : Indian rupee (= 100 cents), equivalent to 1s. 4d. English ; and Ceylon 50-cent, 25-cent, and 10-cent pieces.

Gold : British sovereign, which is legal tender at Rs. 15.

Ceylon Government currency notes of Rs. 1,000, 100, 50, 10, and 5.

On June 30, 1913, the value of currency notes in circulation was Rs. 23,462,000. The currency reserve on that date was distributed as follows :—

			Rs.
Gold (£199,500)	..	..	2,992,500
Rupees	..	..	7,942,206
Small silver	..	..	539,000
British investments	..	..	435,000
Colonial investments	..	..	5,559,180
Indian investments	..	..	5,994,114

## MUNICIPALITIES.

The following is a comparative statement of the total revenue and expenditure of the Municipalities for the five years ended December 31, 1913 :—

*Colombo.*

Year.			Revenue.			Expenditure.
			Rs.	c.		Rs. c.
1909	..	..	1,848,294	12	..	2,068,958 38
1910	..	..	2,260,049	41	..	2,191,141 42
1911	..	..	2,662,823	36	..	2,466,953 17
1912	..	..	2,678,159	63	..	2,906,599 85
1913	..	..	2,710,447	95	..	2,939,586 04

*Kandy.*

1909	..	..	180,602	94	..	165,850 27
1910	..	..	224,346	80	..	225,323 32
1911	..	..	245,473	66	..	245,088 06
1912	..	..	233,939	10	..	211,794 95
1913	..	..	253,416	82	..	223,634 91

*Galle.*

1909	..	..	156,051	80	..	192,656 31
1910	..	..	135,329	75	..	156,856 28
1911	..	..	154,342	21	..	144,680 06
1912	..	..	184,382	50	..	165,102 70
1913	..	..	158,203	25	..	165,302 95

The following statement shows the debts of the Municipalities of Kandy and Galle up to June 30, 1913, with provision for payment :—

Amount of Debt outstanding.	On what Account.	Provision for Payment.
Rs. c.	<i>Kandy.</i>	
117,489 94 ..	Waterworks construction ..	Water-rate of 6 per cent. on properties within certain portions of the Municipality.
105,402 98 ..	Acquisition of lands above reservoir; repairs to main sewer and other various works	Bond assigning portion of water-rate; also portion of rates and taxes.
18,000 00 ..	To widen Victoria Drive and clear lake silt ..	Bond assigning portion of rates and taxes.
245,624 81 ..	<i>Galle.</i>	
37,840 82 ..	Waterworks construction ..	Water-rate of 5 per cent. on properties within the Fort.
	Sanitary improvements ..	Mortgage of stamp duties on licenses for carts, boats, and coaches, and stamp duties under Licensing Ordinances of 1893 and 1897.



As regards the Municipality of Colombo, a sum of Rs. 10,031,538 has been advanced by Government towards the cost of the Mansergh Drainage and Sewerage Scheme. The construction of the Colombo Waterworks and the Victoria Bridge was carried out by Government, and the Municipality has undertaken to repay Government an annual sum of Rs. 100,000 until 1924 in regard to the former, and of Rs. 8,000 until 1945 in regard to the latter.

A further sum of Rs. 700,000 has been advanced by Government towards the cost of the Colombo Waterworks further duplication of main.

#### LOCAL BOARDS.

There are twenty-one Local Boards in Ceylon. They are entrusted with the maintenance of public health and the general improvement and conservancy of the towns in which they are established. Their chief sources of revenue are an assessment tax on real property, taxes on vehicles and animals, road commutation tax, and stamp duties for various licenses.

Their total revenue and expenditure for the past three years is as follows :—

Year.			Revenue. Rs.		Expenditure. Rs.
1911	..	..	596,425	..	488,073
1912	..	..	494,406	..	500,573
1913	..	..	589,145	..	526,883

Loans for approved purposes, such as waterworks, drainage, or erection of markets, are made to Local Boards, the usual rate being 4 per cent. interest and 2 per cent. sinking fund.

#### II.—TRADE.

The total value of Ceylon trade in the year 1913 showed a large increase on that of any previous year, as will be seen from the following table :—

Aggregate Value of Imports and Exports for the last Ten Years (omitting Specie, but including Coal exported for the use of Steamers).

Year.		Lakhs of Rupees.	Year.		Lakhs of Rupees.
1904	..	.. 2,198	1909	..	.. 2,853
1905	..	.. 2,240	1910	..	.. 3,321
1906	..	.. 2,363	1911	..	.. 3,523
1907	..	.. 2,631	1912	..	.. 3,886
1908	..	.. 2,648	1913	..	.. 4,329

The Customs revenue collected in 1913 showed an advance of Rs. 776,501 as compared with 1912. The increase in the last decade has amounted to Rs. 7,622,541, or over 80 per cent.

The chief articles contributing to the revenue in 1913 were—

					Rs.
Grain	..	..	..	..	4,181,963
Spirits	..	..	..	..	2,158,835
Kerosine Oil	..	..	..	..	1,499,998
Sugar	..	..	..	..	1,626,993
Cotton Goods	..	..	..	..	581,545

The total trade of the Colony, excluding specie and coal exported for use of steamers, amounted to Rs. 419,060,040, an increase of Rs. 44,782,159, or nearly 12 per cent. over that for 1912.

The following table shows in detail the annual value of the trade of the Colony for the last ten years, excluding specie and the value of coal exported for the use of steamers :—

Year.	Imports. Rs.	Exports. Rs.	Total. Rs.
1904 ..	105,324,719	101,108,876	206,433,595
1905 ..	108,324,328	102,189,709	210,514,037
1906 ..	112,789,269	109,711,644	222,500,913
1907 ..	120,061,934	129,368,251	249,430,185
1908 ..	122,420,393	128,962,156	251,382,549
1909 ..	125,441,597	146,899,631	272,341,228
1910 ..	150,195,648	166,471,607	316,667,255
1911 ..	156,986,106	180,528,959	337,515,065
1912 ..	175,322,979	198,954,902	374,277,881
1913 ..	186,073,086	232,986,954	419,060,040

It will be noticed that the value of exports, which in 1904, 1905, and 1906 was less than that of imports, now materially exceeds it. This is due almost entirely to the influence of rubber. In 1906 the value of rubber exports was Rs. 1,527,539. In 1913 it was Rs. 61,269,262, exclusive of Straits and Indian rubber transhipped here to the value of 5½ millions of rupees.

Of the total exports in 1913, Rs. 224,236,263 represents the produce and manufacture of the Colony, and Rs. 8,750,691 represents British, foreign, and other colonial produce and manufacture.

The following table gives an analysis of the distribution of the trade of Ceylon with (1) the United Kingdom, (2) British Colonies, (3) Foreign Countries during the last three years, excluding imports of rubber, specie, and coal exported for the use of steamers :—

	<i>Imports.</i>		
	1911.	1912.	1913.
From United Kingdom ..	28·3	29·6	30·1
From British Colonies ..	57·7	55·4	54·4
From Foreign Countries ..	14	15	15·6
<i>Exports.</i>			
To United Kingdom ..	48·4	49·1	45·3
To British Colonies ..	13·3	13·3	12·2
To Foreign Countries ..	38·3	37·6	42·5
<i>Total Trade.</i>			
With United Kingdom ..	39·3	40·1	38·7
With British Colonies ..	33·4	32·7	30·6
With Foreign Countries ..	27·3	27·2	30·7

These figures show a relative decline as regards both imports and exports in the trade with British Colonies, and a marked increase in the percentage of the total trade with foreign countries.

#### IMPORTS.

A comparison of the value of imports in 1912 and 1913 shows increases under nearly every head, especially noteworthy being those under Metals, Sugar, and Grain.

*Confectionery.*—The total imports were 1,519,748 lb., an increase of 16 per cent.

*Cement.*—439,426 cwt. were imported in 1913, as against 318,996 cwt. in 1912, an increase of 38 per cent. This would appear to indicate considerable activity in the building trade.

*Coal* imports have decreased from 885,661 tons in 1912 to 744,529 tons in 1913. In 1911 the imports amounted to 665,047 tons.

*Cotton, manufactured and raw,* shows a slight decrease, from Rs. 14,109,396 in 1912 to Rs. 14,013,451 in 1913, due in a large measure to a decreased demand for gray piece goods. A comparison of the value of imports from various

countries shows an increase of Rs. 282,510 from the United Kingdom, and a decrease of Rs. 124,833 from British colonies and of Rs. 253,622 from foreign countries.

*Grain.*—There was a considerable increase in the quantity of rice cleared for home consumption, the figures being : 1912, 7,089,690 cwt. ; 1913, 7,530,723 cwt.

*Horses and Motor Cars* show interesting figures. The number of motor cars imported during the last six years is as follows :—

1908	..	..	89		1911	..	..	213
1909	..	..	75		1912	..	..	239
1910	..	..	151		1913	..	..	407

A corresponding decrease appears in the number of horses imported, the figures being—

1910	..	..	786		1912	..	..	384
1911	..	..	483		1913	..	..	246

The increasing popularity of motoring is strikingly reflected in the imports of petrol. The figures since 1909 are—

Year.	Gallons.	Year.	Gallons.
1909	.. 66,208	1912	.. 216,714
1910	.. 136,646	1913	.. 383,442
1911	.. 206,028		

*Lamps.*—The total number imported was 373,441, as against 234,630 in 1912. The average value entered at the Customs ranged from about Re. 1.40 for English lamps to 6 cents for small glass kitchen lamps from Japan.

*Metals and Metalware.*—The total value of imports was Rs. 11,045,186, an increase of Rs. 2,094,668 over 1912.

The most noticeable increases were in *hardware* (9½ lakhs), *pig lead* (2 lakhs), *barbed wire* (1½ lakh), *brassware* (1 lakh), *steelware* (7 lakhs), *cast steel* (2½ lakhs). On the other hand, there were large decreases in *tea lead* (3 lakhs) and *iron nails and rivets* (1 lakh).

*Manure.*—The rapid and continued agricultural development of the country is exemplified by the continued increase in manure imports. The total quantity imported in 1913, viz., 80,600 tons, is more than three times the quantity imported ten years ago. Fish manure alone now accounts for 20,726 tons, or far more than the total of all manures in 1902. Fish manure, ground nut cake, and guano show the largest increases over 1912 ; while castor seed poonac shows a marked decrease.

*Spirits.*—The total quantity imported has fallen from 513,798 gallons in 1912 to 397,045 gallons in 1913. This is chiefly due to a large decrease in the quantity of arrack imported from British India.

Gin shows an increase of nearly 15 per cent. ; whisky and brandy show a slight decrease.

*Sugar.*—The imports of candy and refined sugar show an increase of 111,069 cwt., or about 27 per cent. Java and Hong Kong, the two chief suppliers, provided 87 per cent. of the total for 1913, as opposed to 92 per cent. in 1912.

*Tobacco, Cigars, and Cigarettes.*—The figures for the last four years are—

Year.	Cigars and Cigarettes.	Manufactured Tobacco.	Total.
	lb.	lb.	lb.
1910	.. 258,571	.. 117,873	.. 376,444
1911	.. 215,756	.. 38,788	.. 254,544
1912	.. 324,966	.. 54,765	.. 379,731
1913	.. 358,513	.. 49,487	.. 408,000

The total figures have recovered from the temporary setback caused by the increase in the duty on manufactured tobacco from 40 cents a pound to Re. 1.40 a pound in December, 1910.

It is claimed, however, that these figures show that the effect of the duty has been to encourage the smoking of cheap cigarettes.

*Ceylon's Chief Sources of Supply.*

The following table shows the changes in the relative positions of the various countries which export goods to Ceylon. The percentages are percentages of value :—

	1911.		1912.		1913.	
	Per Cent.	Position.	Per Cent.	Position.	Per Cent.	Position.
1. British India ..	46·92	1	45·81	1	40·83	1
2. United Kingdom ..	26·84	2	28·76	2	29·19	2
3. Straits Settlements ..	5·75	3	3·81	3	6·12	3
4. Burma ..	2·96	5	2·37	5	3·82	4
5. Germany ..	3·11	4	3·37	4	3·24	5
6. Japan ..	1·38	7	2·00	6	2·21	6
7. Java ..	1·25	10	1·86	7	1·75	7
8. United States of America ..	1·39	6	1·11	10	1·28	8
9. Maldiv Islands ..	1·34	8	1·29	8	1·19	9
10. Belgium ..	·76	13	·70	13	·93	10
11. Hong Kong ..	1·30	9	1·27	9	·91	11
12. France ..	·82	11	·74	12	·79	12
13. Natal ..	·05	27	·12	27	·73	13
14. Holland ..	·82	11	·92	11	·72	14
15. Russia in Asia ..	·44	18	·47	19	·66	15
16. South Australia ..	·50	16	·49	16	·56	16
17. Italy ..	·38	22	·37	22	·54	17
18. Borneo (excluding British)	·39	20	·63	14	·51	18
19. Austria ..	·61	14	·49	16	·51	19
20. Victoria ..	·50	16	·51	15	·44	20
21. China (excluding Hong Kong)	·14	26	·17	25	·38	21
22. Siam ..	·39	20	·48	18	·37	22
23. India (non-British) ..	·53	15	·31	23	·34	23
24. Western Australia ..	·17	23	·39	21	·29	24
25. Switzerland ..	·43	19	·40	20	·26	25
26. Sweden ..	·16	25	·16	26	·19	26
27. New South Wales ..	·17	23	·21	24	·17	27

India heads the table by virtue of her enormous supplies of rice and other food stuffs for the native population. The United Kingdom has maintained her position as against foreign competitors, and at present possesses exactly nine times the trade of Germany—her greatest foreign rival.

The advance of the Straits Settlements is somewhat fictitious, being accounted for to a large extent by imports of rubber, which are speedily transhipped and exported.

Burma's advance is due to a remarkable increase in her rice supplies.

EXPORTS.

Ceylon's chief export products in order of value are as follows :—

	Lakhs of Rupees.	
	1912.	1913.
1. Tea ..	838	877
2. Rubber ..	521	612
3. Copra ..	100	209
4. Coconut oil ..	105	167
5. Plumbago ..	83	90
6. Desiccated coconuts ..	66	78
7. Arecanuts ..	28	30
8. Cocoa ..	27	30
9. Cinnamon ..	28	24
10. Citronella oil ..	12	16
11. Coir fibre ..	17	15
12. Coir yarn ..	11	15
13. Coconuts ..	12	14
14. Poonac ..	7	11
15. Cardamoms ..	8	9
16. Tobacco ..	8	8

Coconut oil, coir fibre, cinnamon, coconuts, and tobacco have receded, and copra, cocoa, coir yarn, citronella oil, and poonac have advanced.

The total products of the coconut palm retained second place till 1911, when they were supplanted by rubber. For 1913 the figures were 514 lakhs, as against 612 lakhs for rubber. This diminution is, however, only relative, as the figures for 1913—viz., 514 lakhs—compare very favourably with the corresponding figures—324 lakhs—for 1912.

Ceylon's best customers are given below :—

	1911. Per Cent.	1912. Per Cent.	1913. Per Cent.
United Kingdom ..	48·61 ..	49·45 ..	45·54
United States of America ..	13·89 ..	16·58 ..	16·63
Germany ..	9·44 ..	7·08 ..	10·11
Russia in Europe ..	5·02 ..	3·61 ..	4·63
Belgium ..	3·23 ..	3·34 ..	4·59
British India ..	2·88 ..	2·86 ..	2·39
New South Wales ..	2·37 ..	2·28 ..	2·24
Victoria ..	1·95 ..	2·11 ..	2·14
China (excluding Hong Kong) ..	1·50 ..	1·49 ..	1·70
Canada ..	2·27 ..	2·09 ..	1·68
Russia in Asia ..	2·21 ..	1·39 ..	1·42
New Zealand ..	1·34 ..	1·24 ..	1·11
Austria ..	·54 ..	·83 ..	·66
Norway ..	·20 ..	·45 ..	·57
France ..	·51 ..	·41 ..	·38
Japan ..	·17 ..	·18 ..	·37
South Australia ..	·35 ..	·33 ..	·34
Strait Settlements ..	·32 ..	·30 ..	·32
Natal ..	·32 ..	·30 ..	·28
Denmark ..	·15 ..	·65 ..	·26
Holland ..	·30 ..	·25 ..	·25
Egypt ..	·16 ..	·30 ..	·25
Cape Colony ..	·23 ..	·26 ..	·23
Queensland ..	·34 ..	·26 ..	·22
Spain (excluding Gibraltar) ..	·25 ..	·35 ..	·22
Italy ..	·10 ..	·13 ..	·18
West Australia ..	·21 ..	·2 ..	·18
Philippines ..	·13 ..	·21 ..	·17
Sweden ..	·10 ..	·11 ..	·09
India (excluding British) ..	·12 ..	·12 ..	·09
Turkey in Asia ..	·06 ..	·06 ..	·07
Newfoundland ..	·06 ..	·14 ..	·06
Hong Kong ..	·13 ..	·05 ..	·06

It will be seen that there is no striking change in the position of the principal countries during the last three years, but exports to Germany and Belgium have increased appreciably, while the United Kingdom has taken a smaller percentage than in the two previous years.

#### Tea.

Tea exports show a slight decrease as compared with 1912. The average price was, however, higher in 1913 than in 1912. The figures for the last seven years are remarkably stable :—

	Millions of lb. exported.		Millions of lb. exported.
1907 ..	182	1911 ..	186
1908 ..	180	1912 ..	192
1909 ..	192	1913 ..	191
1910 ..	182		

The following table shows the comparative distribution, 1912 and 1913 :—

Principal Markets for Ceylon Tea.

	1912. lb.	1913. lb.	Increase. lb.	Decrease. lb.
United Kingdom ..	115,806,997	111,646,640	—	4,160,357
<b>British Colonies—</b>				
British India ..	2,065,778	1,624,400	—	441,378
Canada ..	8,464,715	7,624,464	—	840,251
Cape Colony ..	719,609	832,729	113,120	—
Hong Kong ..	204,197	186,081	—	18,116
Malta ..	206,829	122,357	—	84,472
Mauritius ..	99,891	107,627	7,736	—
Natal ..	1,090,327	1,221,449	131,122	—
Newfoundland ..	627,246	310,620	—	316,626
New South Wales ..	9,001,341	9,823,133	821,792	—
New Zealand ..	5,046,598	5,153,207	106,609	—
Queensland ..	949,538	908,802	—	40,736
South Australia ..	1,327,699	1,560,867	233,168	—
Straits Settlements ..	530,216	504,200	—	26,016
Victoria ..	7,018,699	7,910,968	892,269	—
West Australia ..	798,244	786,294	—	11,950
Other British Possessions ..	388,523	517,092	128,569	—
Total British Possessions	38,539,450	39,194,290	2,434,385	1,779,545
		Deduct Decrease ..	1,779,545	
		Nett Increase ..	654,840	
<b>Foreign Countries—</b>				
Austria ..	319,942	368,149	48,207	—
Belgium ..	56,357	104,711	48,354	—
China (excluding Hong Kong) ..	6,492,339	8,247,053	1,754,714	—
Egypt ..	613,614	578,264	—	35,350
France ..	865,958	752,918	—	113,040
Germany ..	697,248	631,677	—	65,571
Mozambique ..	111,959	119,225	7,266	—
Russia in Asia ..	6,084,834	6,930,732	845,898	—
Russia in Europe ..	11,052,787	13,304,651	2,251,864	—
Sweden ..	145,374	123,676	—	21,698
Turkey in Asia ..	192,422	105,697	—	86,725
United States of America ..	10,507,521	8,896,386	—	1,611,135
Other Foreign Countries ..	532,789	505,345	—	27,444
Total Foreign Countries	37,673,144	40,668,484	4,956,303	1,960,963
		Deduct Decrease ..	1,960,963	
		Nett Increase ..	2,995,340	
Grand Total ..	192,019,591	191,509,414	—	510,177

This shows large increases in the supplies exported to Russia in Europe, China, and Russia in Asia among foreign countries, and to Victoria and New South Wales among British Colonies, as opposed to large decreases in those exported to the United Kingdom, the United States of America, Canada, British India, and Newfoundland.

The total exports of green tea in 1913 were 5,298,007 lb., as against 8,093,131 lb. in 1912.

*Products of the Coconut Palm.*

The total value of the exports under this head was 514 lakhs, as against 324 lakhs in 1912. The three principal products, viz., coconut oil, copra, and desiccated coconuts, show large increases. The figures for the last six years are as follows :—

	Desiccated Coconuts. Cwt.	Copra. Cwt.	Coconut Oil. Cwt.		Desiccated Coconuts. Cwt.	Copra. Cwt.	Coconut Oil. Cwt.
1908 ..	244,734 ..	768,795 ..	670,121	1911 ..	292,210 ..	821,814 ..	505,016
1909 ..	230,791 ..	784,522 ..	599,795	1912 ..	278,806 ..	614,089 ..	401,779
1910 ..	242,286 ..	758,711 ..	619,680	1913 ..	303,808 ..	1,117,292 ..	546,984

The average price for coconut oil was Rs. 26·35 per cwt. The price of copra ranged from Rs. 86·50 to Rs. 107 per candy.

*Rubber.*

The export of Ceylon rubber in 1913 was 71 per cent. in excess of that in 1912, the actual figures for the last four years being—

	Cwt.		Cwt.
1910 ..	33,952	1912 ..	132,569
1911 ..	61,212	1913 ..	226,491

Nine years ago the export for the year amounted to 676 cwt.

The distribution of rubber among the two largest buyers for the past two years is—

		1912. Per Cent.	1913. Per Cent.
United Kingdom	..	55·2	55·38
United States of America	..	31·67	23·89

The average value entered in 1913 was Rs. 2·42 per lb., as against Rs. 3·51 per lb. in 1912.

**CUSTOMS DUTIES.**

All imports not specially rated or exempted by the Tariff are liable to a Customs duty of 5½ per cent. *ad valorem*.

From January 1, 1914, cacao and tea are liable to an export duty of 15 cents per 100 lb., and rubber and cardamoms to an export duty of 75 cents per 100 lb., under the Medical Wants Ordinance.

**III.—AGRICULTURE AND INDUSTRIES.****PEARL FISHERY.**

No pearl fishery was held in 1913, and there appears to be no prospect of any fishery in the near future. The last was held in 1907, and since then the periodical inspections of the pearl banks show an absence of oysters or spat. The lease of the fishery held by the Ceylon Company of Pearl Fishers was terminated in 1912, as the funds of the Company were insufficient to meet its obligations under the lease.

**MINERAL SURVEY.**

The Sitawaka and Kelani rivers were prospected during the year. Observations proved that in Sitawaka, where the pay-gravel lies at a comparatively small depth, the parts richest in gold and gems had already been exhausted by the natives. In the Kelani, where the pay-gravel lies much deeper, fairly rich patches were occasionally discovered, but they were small in size, and separated by long stretches of barren ground.

A systematic examination of the gemming fields in the Province of Sabaragamuwa showed the industry to be in a moderately flourishing condition. Rich finds were made at Avissawella and Karangoda.

Two European syndicates attempted to mine for gems with gravel pumps, but met with little success. Their failure may be ascribed in the one case to inadequate prospecting, and in the other possibly to failure to adapt the machinery to peculiar local conditions.

The general conclusion of prospecting during the year has been to emphasize the peculiarly local nature of the alluvial deposits of valuable minerals in this country.

#### MINING.

Plumbago provides the only form of mining proper in Ceylon. There are about 450 plumbago mines, the chief mining centres being situated in the Southern, Western, Sabaragamuwa, Central, and North-Western Provinces. The market was dull, especially during the last three months of the year, but prices showed an appreciable advance on those realized in 1912. The averages per ton for large and ordinary lumps rose from Rs. 376 to Rs. 441, and for chips and dust from Rs. 210 to Rs. 270.

The quantity of plumbago shipped from Ceylon showed a decrease, the figures for the last four years being—

Year.	Cwt.
1910 .. .. .	630,551
1911 .. .. .	538,973
1912 .. .. .	654,650
1913 .. .. .	570,807

Our chief customer, the United States of America, took over 20,000 cwt. less than in 1912, and Germany nearly 40,000 cwt. less. The export to the United Kingdom showed scarcely any variation.

Prior to 1913 only the competition of the Korean product was felt, but during 1913 Madagascar appeared as a new rival in the market. Her output in 1913 was about 8,000 tons, and is said to be rapidly increasing.

#### SALT.

The manufacture and collection of salt is a Government monopoly, and is protected by a heavy duty on imported salt. Salt is sold at salt stores at Rs. 3 per cwt., and the amounts realized by its sale in the last three years are—

Year.	Rs.
1911 .. .. .	1,631,380
1912 .. .. .	1,522,542
1913 .. .. .	1,618,674

The year was not favourable for the production of salt owing to premature rain. At Hambantota the collection was a comparative failure, and the total yield for the Island amounted only to 210,310 cwt. In 1910—the record year—759,396 cwt. were secured.

#### MANUFACTURES.

Ceylon is essentially an agricultural country, and its manufactures are chiefly confined to agricultural products. The preparation of coconut oil, copra, and arrack, and to a less extent of citronella oil and cinnamon, gives employment to a large number of the inhabitants.

Tobacco is grown in the Northern and Central Provinces, and the Jaffna cigar, which is small, strong, and cheap, is a favourite with the native population. It has, however, a growing rival in the imported cigarette, and unless improved methods of growing and curing are devised, it seems unlikely that tobacco will ever become a staple industry.



The weaving of a coarse kind of cloth in hand looms is carried on in the Eastern, Northern, and Central Provinces to supply purely local wants. The cloth is strong, but is inferior in texture and finish to imported material.

Lace-making is carried on in the Western Province.

The indigenous crafts peculiar to the Kandyan districts—silver and brass work, lacquer work, painted pottery, and ivory carving—are encouraged by the Kandyan Arts Association. The Government Agent, Province of Sabaragamuwa, complains, however, that workers show a lack of energy and enterprise, and that the demand for cheap European goods is growing.

#### THE AGRICULTURAL SOCIETY.

The Ceylon Agricultural Society has a total of 1,832 subscribers, of whom 922 are local and 910 foreign subscribers.

The Society acquired the sole rights of the "Tropical Agriculturist" from January, 1913, and the journal is now issued to local subscribers at Rs. 8 per annum and to foreign subscribers at Rs. 12 per annum.

The Co-operative Credit Societies movement is now under the control of the Director of Agriculture—as Registrar—and a special staff. Up to date thirty-one societies have been established.

#### POSITION OF AGRICULTURAL INDUSTRIES.

The export of rubber in 1913 was practically double that in 1912. Although the price of rubber showed a marked decline, the position generally is regarded as sound, and the low cost of production in Ceylon enables a satisfactory profit to be made at the prices now ruling.

The prices of tea have been very satisfactory, and the industry both from an agricultural and from a commercial standpoint is flourishing.

The year was a favourable one for coconuts. Crops were large, and prices much above the average. The area under coconut cultivation is steadily increasing, particularly in the Kurunegala and Puttalam Districts.

Cocoa planters had a bad year. Both crops were short, and the beans were poor.

#### DISEASES OF ANIMALS.

##### *Cattle.*

Rinderpest still continued, but showed a steady decrease during 1913, and by the end of the year all Provinces except the North-Western were free.

The number of cases during the last three years are—

Year.					Number.
1911	..	..	..	..	15,195
1912	..	..	..	..	9,103
1913	..	..	..	..	4,848

Of the cases during 1913, 1,715 recovered, 2,663 died naturally, and 470 were shot. There were 5,161 cases of foot-and-mouth disease during the year, and 4,877 recoveries. Surra appeared amongst cart bulls at Talawakele in October. Three cases were detected.

##### *Dogs.*

There was a notable decrease of rabies during 1913. The figures for the last three years are—

Year.					Number.
1911	..	..	..	..	62
1912	..	..	..	..	60
1913	..	..	..	..	17

Only three of the cases during 1913 gave a positive result upon bacteriological examination.

### LAND SETTLEMENT.

The Land Settlement Department settles title to land as between the Crown and the subject. During the year 1913 an area of 99,500 acres was settled, as compared with 96,000 acres in 1912. Almost all claims were settled without recourse to litigation, an indication of the confidence of the people in the fairness of the settlements offered to them.

### LAND SALES.

The total extent of Crown land sold during 1913 was 30,861 acres, and the amount realized was Rs. 1,698,883. The figures for the last four years are—

Year.			Acres.		Rs.
1910	..	..	30,673	..	1,273,889
1911	..	..	27,947	..	1,269,597
1912	..	..	30,692	..	1,649,367
1913	..	..	30,861	..	1,698,883

Of the extent sold in 1913, 13,631 acres were sold by the Government Agents realizing Rs. 1,150,960, and 17,230 acres were sold or settled by the Settlement Officer realizing Rs. 547,923.

The average price per acre ranged from Rs. 20 in the North-Central Province to Rs. 175 in the Western Province.

Thirty-six applications to purchase Crown land for rubber cultivation were dealt with in 1913 covering 1,114 acres. The comparative extents for the last three years are—

Year.				Acres.
1911	..	..	..	1,079
1912	..	..	..	2,396
1913	..	..	..	1,114

The decrease is, of course, due to the fall in the price of rubber.

### IV.—SHIPPING.

The total number of all vessels which entered the ports of the Island in 1913 was 4,283, with a tonnage of 10,103,727. This shows a decrease of 69 vessels, and an increase of 187,130 tons as compared with 1912.

The following table gives the total number and nett tonnage of shipping entering all ports in Ceylon during the last three years :—

	1911.		1912.		1913.	
	Number.	Tons.	Number.	Tons.	Number.	Tons.
Merchant vessels (with cargo and in ballast)	2,410	7,387,615	2,430	7,610,101	2,464	7,981,773
Merchant vessels (called to coal)	691	1,872,580	764	2,032,397	651	1,816,376
Native sailing vessels	1,203	90,306	1,120	96,989	1,115	106,958
Warships	51	211,476	38	177,110	53	198,620
Total	4,355	9,561,977	4,352	9,916,597	4,283	10,103,727

Omitting warships and vessels calling to coal, the following table gives the comparative distribution according to nationality for 1912 and 1913 :—

		1912.		1913.	
		Number.	Tons.	Number.	Tons.
1.	{ British ..	1,637	5,039,616	1,660	5,075,607
	{ British Colonial ..	1,008	83,786	992	93,657
Total British Ships		2,645	5,123,402	2,652	5,169,264
2.	German ..	221	815,669	251	1,013,884
3.	French ..	129	429,625	131	461,530
4.	Japanese ..	94	391,898	100	416,620
5.	Dutch ..	85	250,460	104	330,268
6.	Austrian ..	89	262,076	110	326,428
7.	Russian ..	65	179,721	62	168,086
8.	Spanish ..	27	66,875	26	64,819
9.	Italian ..	27	74,365	17	48,003
10.	Danish ..	19	45,181	16	38,328
11.	Norwegian ..	34	47,865	23	36,084
12.	Maldivian ..	112	13,203	123	13,301
13.	Siamese ..	2	4,463	5	8,139
14.	Swedish ..	1	2,287	1	3,267
Total Foreign Ships		905	2,583,688	969	2,928,757

The predominance of British shipping continues, but the increase in tonnage during 1913 has not kept pace with that in foreign shipping.

There is a notable increase in German, Dutch, and Austrian shipping.

The nett tonnage of British and foreign shipping entering the port of Colombo during 1913 is 9,510,532 tons, as compared with 9,370,843 tons in 1912.

The statistical abstract for the British Empire for 1912 shows Colombo the third largest port in the Empire :—

			Tons.
1.	Hong Kong	..	10,805,536
2.	London	..	10,800,716
3.	Colombo	..	9,370,843
4.	Singapore	..	8,223,272
5.	Liverpool	..	7,253,016
6.	Cardiff	..	6,236,944

In 1906 Colombo was fifth, and the order was London, Hong Kong, Liverpool, Singapore, Colombo, Cardiff.

## V.—LEGISLATION.

Very few Ordinances of other than purely local importance were passed during 1913. The Vehicles (Amendment) Ordinance, No. 5 of 1913, was introduced with the object of diminishing the risk of collisions between motors and vehicles drawn by bullocks or horses when travelling at night. Previously a bullock cart was only compelled to carry one light, which was usually so slung as to be more visible in the rear than in front. A horse-drawn vehicle carried two lights, but was under no obligation to throw any illumination to the rear, and was in consequence often invisible to an approaching motor.

The Ordinance provides that all such vehicles shall carry two lights, each throwing a white light in front and a red light behind.

The Small Towns Sanitary (Amendment) Ordinance, No. 12 of 1913, empowered Sanitary Boards in towns under the operation of the Small Towns Sanitary Ordinance of 1892 to take and receive fees recovered under the Dog Registration Ordinance. The maximum rate on the annual value of property was also raised from 4 per cent. to 6 per cent.

## VI.—EDUCATION.

It is difficult to draw a clear line between elementary and secondary education in Ceylon. The English-speaking community form scarcely 1 per cent. of the total population, so that most of the schools where English is taught are teaching a language which is foreign to the large majority of their pupils.

The vernacular schools constitute the real elementary education of the country.

### VERNACULAR EDUCATION.

In 1913 there were 778 Government vernacular schools with an attendance of 79,380 boys and 23,940 girls. There were also 1,782 aided schools with an attendance of 123,505 boys and 68,907 girls.

The total sum expended by Government on vernacular education in 1913 was approximately Rs. 1,000,000, of which, roughly speaking, Rs. 400,000 was spent on Government schools and Rs. 600,000 on aided schools.

The Rural Schools Ordinance is now in force in all districts of the Island except Jaffna.

At the end of 1913 there were 255 aided estate schools, and returns from 577 estates showed that of a total of 18,666 children of school-going age 7,590 were attending estate schools. Of these, 6,347 were boys and 1,243 girls.

A school for the deaf and blind was opened in temporary quarters in Dehiwala in November, 1912, and has made good progress.

### ENGLISH SCHOOLS.

In 1913 there were 242 English and Anglo-vernacular schools attended by 43,192 pupils, of whom 34,677 were boys and 8,515 girls.

In many of the schools candidates are prepared for the Senior and Junior Cambridge Local Examinations. In 1912 the candidates who presented themselves and the results obtained were—

		Candidates.		Honours.		Passed.
Senior	..	546	..	54	..	347
Junior	..	784	..	43	..	471

The results of the London University Examinations in 1912 showed that 59 candidates from Ceylon presented themselves for the Matriculation Examination, 27 of whom passed. In addition, 11 candidates passed the Intermediate Examination in Arts, 5 passed the Intermediate Examination in Science, 2 the Examination for the degree of Bachelor of Arts, and 3 the First Examination in Medical Degrees.

The encouragement offered by Government takes the form either of grants or scholarships. In the majority of the aided English schools grants are paid on the results of examinations in the schedules of the Code, but in some of the more advanced schools the greater part of the grant is paid on the average attendance. Considerably more than Rs. 200,000 was expended in grants to English schools in 1913.

Two Government scholarships are offered annually, one on the results of the Intermediate Examination in Arts and the other on the results of the Intermediate Examination in Science. These scholarships are tenable for three years, and are of the value of £200 each per annum, with free passage to England and a £50 outfit allowance. The holders may join any British University, or study at any recognized engineering institution in the United Kingdom.

### TRAINING OF TEACHERS.

The Government Training College consists of three departments: English, Sinhalese men, and Sinhalese women. The object is to supply trained teachers for aided English schools and Government vernacular schools. At the beginning of 1913 the number of students in training was English 40, Sinhalese men 51, Sinhalese women 20.

### INDUSTRIAL SCHOOLS.

There are no Government industrial schools, but carpentry schools are attached to five Government schools in the Kandyan Provinces. In 1913 the aided industrial schools, which are 36 in number, received grants amounting to over Rs. 25,000. The trades taught were carpentry, dressmaking, printing, shoemaking, tailoring, lace-making, embroidery, gardening, and masonry.

The most important of these schools is the Maggona Certified Industrial School, which is utilized by Government as a reformatory for youthful offenders, and is carried on by the Roman Catholic Mission. This institution has an estate of some 300 acres and excellent buildings, towards the cost of which Government has contributed. Over 200 youthful offenders are at present receiving instruction in this school, and an allowance is paid by Government for the maintenance of each offender.

### AGRICULTURAL INSTITUTION.

The vast majority of the population of Ceylon is rural, and in consequence the most useful form of technical education is one which will form a training for rural and agricultural life.

An attempt has been made to supply this by a scheme for school gardens conducted in connection with Government schools. Seeds and implements are supplied by the Royal Botanic Gardens, and prizes are offered for competition.

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## VII.—GOVERNMENT INSTITUTIONS.

### HOSPITALS.

There are 78 Government hospitals equipped with modern hospital furniture and surgical appliances. The number of beds in the hospitals ranges from 12 to 647.

There are also 423 outdoor Government dispensaries, and 321 estate dispensaries supported by the planters, who receive drugs free up to a value of 50 cents per annum per cooly.

### MEDICAL INSTITUTIONS.

The new Anatomical Block for the Medical College was opened by His Excellency the Governor on November 3, 1913. During the Session 1913-14 336 students attended the College, of whom 134 were medical and 202 apothecary. The full course for medical students is five years, and a diploma in medicine, surgery, and midwifery is granted to successful students. A Bacteriological Institute, with a small clinic for tropical medicine, and various other institutions are attached to the College.

The staff of the Medical Department was strengthened towards the close of the year by the appointment of a Senior and a Junior Sanitary Officer, and a Sanitary Department is in process of formation.

### ASYLUMS.

The Lunatic Asylum, situated in Colombo, has 780 inmates. It is overcrowded, and Government have decided to build a new asylum, with extensive grounds and accommodation for 1,000 patients.

The Leper Asylum is situated about 6 miles from Colombo, and contains 424 patients. A small establishment for lepers exists at Kalmunai, in the Eastern Province. It is proposed to establish a leper colony on the island of Mantivu.

# VIII.—CRIME.

## PRISONS.

There was a decrease of 118 in the total number of convicted prisoners during 1913. The figures are—

Year.	Number.
1912	9,421
1913	9,303

The convictions for murder and manslaughter were 92, as against 98 in 1912 and 106 in 1911.

Twenty-one criminals were sentenced to be hanged, of whom 18 were Sinhalese and 3 were Tamils.

The number of deaths in jail shows a marked decrease, the figures for the last three years being—

Year.	Number.
1911	315
1912	167
1913	105

The death-rate per 1,000 of the prisons population in 1913 was only 6·77, and the daily average sick has decreased from 180 to 92 in the last three years. Prisoners are employed on works of public utility and industrial labour. At the central jail at Welikada all the cloth required for prisoners' clothing is made by prison labour, and in addition 240 prisoners are sent daily to the Government Printing Office.

## CRIMINAL STATISTICS.

The following table shows the fluctuations of serious crime in the past five years :—

	1909.	1910.	1911.	1912.	1913.
Murder and homicide	177	209	182	179	172
Rape	130	131	121	80	59
Robbery	937	1,015	798	505	301
Burglary	2,456	1,957	1,630	1,582	1,087
Grievous hurt	551	731	680	552	593
Theft of cattle and prædial produce	1,656	1,324	1,366	1,251	673
Arson	391	442	383	216	213

The decrease in the crimes of rape, robbery, burglary, and theft of cattle is remarkable, and may in a great measure be attributed to the increased efficiency of the police. The decrease in burglary, for instance, is a testimony to the efficiency of police patrols, especially in Colombo.

The number of murders is below the average of the last four years. As usual, more than half were stabbing cases, generally the outcome of sudden, unpremeditated quarrels.

Four murders were committed for the sake of plunder, as against 7 in 1912. Sixteen were due to jealousy, 20 were the outcome of long-standing enmity, and 18 were due to land disputes.

# IX.—VITAL STATISTICS.

## POPULATION.

The estimated population of Ceylon on December 31, 1913, was 4,262,100. The population comprised the following nationalities :—

Nationality.	Number.	Percentage of Total.
Sinhalese	2,768,000	65·0
Tamils (indigenous)	617,200	14·5
Tamils (immigrants)	541,500	12·7
Moors	269,700	6·3
Burghers	27,400	·6
Malays	13,300	·3
Europeans	7,800	·2
Others	17,200	·4

There is an excess of males over females, the proportion being 113 males to 100 females.

The birth-rate for 1913 was 39 per mille, which is slightly above the average. This is considerably higher than in England, where the rate is about 25 per mille.

The death-rate for 1913 was 28. This is almost double that of England, and three times that of Australia and New Zealand.

The infantile mortality was 189 per 1,000 births, which compares favourably with the 215 per 1,000 births in 1912.

The urban death-rate was highest in Mannar and Anuradhapura and was lowest in Nuwara Eliya, the average urban death-rate being 30 per mille.

#### PUBLIC HEALTH.

There was an improvement in the general health during 1913, the death-rate being 28.5 per 1,000, as against 32.7 in 1912 and 34.8 in 1911.

The death-rate was lowest in the Western and Southern Provinces, and highest in Uva and in the North-Central Provinces.

Generally speaking, the western seaboard is the healthiest part of the Island. The chief causes of death were fever, diarrhœa, dysentery, pneumonia, and phthisis.

Deaths from enteric fever showed a welcome decline, viz., 394, as against 461 in 1912 and 651 in 1911.

The deaths from dysentery were 4,190, as against 5,237 in 1912; and from phthisis 4,167, as against 4,306 in 1912.

Deaths from anchylostomiasis show an increase, 2,196, as against 1,843 in 1912. This disease is especially prevalent amongst estate coolies in the low-country, and is receiving the attention of the Inspecting Medical Officers, who have visited a number of estates and have prescribed both prophylactic and curative treatment.

Parangi has been treated successfully with Salvarsan. In addition to the three hospitals and the clinic for tropical diseases in which the treatment was adopted previously, it has now been introduced in ten other hospitals, and will shortly be extended to six others.

There were 69 deaths from cholera during the year, due chiefly to an outbreak which occurred in Colombo in the last quarter, and which resulted in 54 deaths.

Only one death was registered from smallpox, as against 15 in 1912 and 89 in 1911.

#### CLIMATE.

There are few countries which exhibit such a marked variation in climate as Ceylon.

In the low-country the range of temperature is small, but there is a considerable divergence between the moist conditions in the south-west and the dry zone areas of the north, north-west, and south-east.

Inland, where the altitude reaches as high as 8,000 feet, the temperature is cooler, and shows a much wider range.

The rainfall in 1913 was above normal. The highest total for the year was 256.67 in. recorded at Ledgerwatte estate.

Ratnapura, as usual, heads the list amongst towns, the rainfall for the year being 159.18 in. In January there was a large excess, particularly on the eastern side of the Island, viz., Batticaloa and Trincomalee; and in October the western side of the Island suffered from an excess, which resulted in extensive floods.

The highest average temperature for the year was Trincomalee 83.1° F., and the lowest Nuwara Eliya 59.9° F. At Colombo and Kandy the averages were 80.3° F. and 76.4° F., respectively. The highest shade temperature recorded during the year was 100° F. at Anuradhapura on April 9, and the highest recorded in Colombo was 91.9° F. on March 1.

## X.—POSTAL SERVICE.

Six new post offices and 19 new receiving offices were opened during 1913. The total number of offices now is 502, of which 131 are also telegraph offices.

The number of articles, exclusive of parcels, which passed through the post in 1913 is estimated at over 46 millions, as against 41 millions in 1912. The number of parcels dealt with was 677,574, an increase of 19,095 over the previous year. Of these, 14,587 were despatched to the United Kingdom and 33,475 received from the United Kingdom.

The increase in telegrams is shown by the following figures :—

	1912.	1913.
Inland .. .. .	813,722	916,578
Indian .. .. .	170,209	227,830
Other countries .. .. .	94,868	101,803

An expert in the Baudot printing telegraph system was lent by the British Post Office for the purpose of training a staff of local operators with a view to introducing this system on the Indo-Ceylon lines.

Ceylon was connected with Penang by a direct cable in June, and with Aden in December, 1913. Since then the Eastern Telegraph Cable Company have taken over practically the whole of the foreign traffic other than Indian.

Telegrams are accepted and delivered by the Postal Department, the transmission only being attended to by the Cable Company. With the introduction of the new cable the rates have been reduced.

New telephone exchanges were established during the year at Galle, Kalutara, Hatton, and Anuradhapura.

In 1896, the year that Government took over the telephone exchange from the Oriental Telephone Company, there were 130 telephones in use; there are now 1,803.

## XI.—PUBLIC WORKS.

### PUBLIC WORKS DEPARTMENT.

The total expenditure of this Department for the year 1913 was Rs. 8,189,530, which shows an increase of Rs. 455,725 over the expenditure in 1912 and of Rs. 1,120,688 over that in 1911.

Amongst the more important works completed during the year were the new Royal College, the Anatomical Block in connection with the rebuilding of the Medical College, extensions to the General Treasury, and Headquarters for the Ceylon Engineer Volunteers.

The more important works in progress, but not completed by the end of the year, included new Customs warehouses on the old coaling grounds, new office buildings for the Master Attendant, Colombo, quarters for the nursing staff of the Leper Asylum, and quay wall and shed for the Galle Customs.

Mention should also be made of the Colombo Lake Development Scheme, which made steady progress during the year.

### GOVERNMENT RAILWAY.

#### *Open Line.*

No new sections were opened during 1913. The total length of the open line is 604½ miles. The revenue derived from all sources amounted to Rs. 15,753,570, an increase of Rs. 1,639,693 over the revenue for the previous year. The number of passengers conveyed showed an increase of 1,159,501. The tonnage of goods conveyed showed an increase of 82,097 tons, the most notable increases being rubber 4,450 tons, rice 23,228 tons, coconut produce 13,145 tons, and manure 25,142 tons. The total working expenses amounted to Rs. 7,650,498.



Over Rs. 2,000,000—partly from surplus funds and partly from loan funds—was spent on new works and rolling stock during the year, 11 new engines and 211 new goods and passenger wagons being put into traffic.

The total capital cost to June 30, 1913, was Rs. 106,465,279, and the capital outstanding on Railway loans was Rs. 48,866,716.

#### *Extensions.*

*Chilaw.*—This line, which is a continuation of the Negombo line, is 27 miles in extent. It runs through one of the most thickly populated and richest districts in the Island. The actual cost up to the end of 1913 was Rs. 3,235,643 out of a total estimated cost of Rs. 4,185,746, and the construction was about three-fourths completed.

*Pelmadulla.*—This line is a further extension of the narrow gauge line to Ratnapura, which was completed and opened for traffic in April, 1912. The length of the extension is 17 miles. The estimated cost is Rs. 2,253,414, and the expenditure up to the end of 1913 was Rs. 723,448. It will serve one of the richest rubber districts in the Island.

*Badulla.*—This line, the construction of which was sanctioned by the Secretary of State in November, 1912, will be 21 miles in length, and passes through hilly and broken country.

From Bandarawela, the present terminus of the Main line, to Badulla the drop is nearly 2,000 feet, and in consequence the gradients are steep. The total estimated cost of the extension is Rs. 6,028,445, and the expenditure up to the end of 1913 was Rs. 491,577.

*Colombo Stations Extension.*—This scheme comprises the construction of new stations at Maradana and the Fort; new railway stores, engine sheds, and yard; the erection of new main goods sheds; the construction of lake basins with quay walls; and the duplication and deviation of the main lines across the lake. The total estimated cost is Rs. 6,229,234, and about three-fourths of the work has now been completed.

The *Main Line Duplication* from Colombo to Ragama and Moratuwa, and the *Sea Coast Protection Works* designed to counteract the encroachment of the sea, were completed in June, 1913. The respective costs were Rs. 2,584,702 and Rs. 412,923.

*Mannar.*—Through communication between Madawachchi and Talaimannar was established during the year. The last spike was driven on April 12, and the first through construction train from Madawachchi entered Mannar station on that date. In all about 72 miles of single line have been laid.

All bridges, culverts, and stations had been completed by the end of 1913, and it was anticipated that the formal opening of the line would be celebrated in February, 1914.

## XII.—COLOMBO PORT COMMISSION.

The administration of the Colombo harbour was transferred from July 1, 1913, to a newly constituted body designated the Colombo Port Commission, consisting of six unofficial members, five of whom are nominated by the Chamber of Commerce, and the sixth nominated by the Governor to represent native interests in the port, and of a corresponding number of official members representing the different departments concerned with the administration of the port.

The period to the end of 1913 was chiefly devoted by the Commission to the necessary preparations for taking over the various works from other departments and organizing the requisite staff. A modification of the scheme

suggested by the Colombo Port Improvements Commission which sat in 1912 for the utilization of the Harbour Works area was sanctioned. A quay wall is to be built on this section of the foreshore and warehouses erected, which will allow ample room for the development of the trade of the port.

Meanwhile the Public Works Department has made considerable progress with the new warehouses on the old coal grounds, and with the scheme for connecting the lake with the harbour by means of a canal and locks. In the old Customs premises the export warehouses have been enlarged and the quay wall completed. There is, therefore, reason to hope that the facilities for landing and warehousing cargo will prove equal in the future to the growing needs of the port.

The expenditure on Harbour Works during 1913 amounted to Rs. 839,838; the total expenditure since the commencement of the South-west Breakwater in 1873, including maintenance charges, has been Rs. 45,204,540. In order amply to protect the sea face of the South-west Breakwater, it was decided to deposit a wave breaker of 30-ton blocks on the outer side of the structure. This work had been constructed for three-quarters of its total length by the end of the year.

The "Sir John CooDe" has been engaged during the year in deepening the harbour to a depth of 33 feet. The construction of the new dredger has been delayed by various causes, and the vessel is not likely to arrive in the Island until the middle of 1914. There will, however, be no difficulty in providing the necessary deep water accommodation for vessels arriving *via* the Suez Canal, as there are berths at the northern end of the harbour with a depth of 33 feet at low water.

### XIII.—EXCISE.

#### THE EXCISE COMMISSION.

The Excise Ordinance, No. 8 of 1912, was brought into force with effect from January 1, 1913.

Several radical changes were introduced during the year, of which the following are the more important :—

- (1) Standard measures were prescribed for the sale of arrack.
- (2) Distilleries were brought under stricter control, and the base used in distillation was toddy or such other materials as were specially permitted by the Excise Commissioner.
- (3) Advisory Committees were formed to advise Government Agents with regard to the establishment of new taverns, the closing of existing taverns, and the transference of existing taverns from one locality or area to another.
- (4) The whole system of licensing for the bottling and sale of foreign liquor was remodelled and placed on a logical basis. A minimum strength of 20 degrees under London proof was prescribed for foreign spirits.
- (5) The possession of ganja, bhang, and every preparation and admixture of the same, and of every intoxicating drink or substance prepared from any part of the hemp plant was absolutely prohibited.

The new Ordinance has enabled a degree of control to be exercised over the manufacture, possession, and distribution of intoxicating liquor and drugs such as was previously impossible. Illicit practices have been repressed, and the financial results as evidenced by the sales of the arrack and toddy rents from July 1 and by the fees recovered on foreign liquor licenses have shown a marked improvement over all preceding years.

## XIV.—IMMIGRATION.

The term “immigration” in Ceylon is commonly used with reference to the immigration of native labour from the south of India for tea and rubber plantations.

There is no opening in Ceylon for the immigration of white labour.

The number of immigrant labourers who arrived in Ceylon in 1913 was 120,354, as against 117,475 in 1912. The departures were 90,374.

## XV.—GENERAL.

His Excellency Sir Robert Chalmers, K.C.B., LL.D., arrived in the Island and assumed duties as Governor on October 18.

Mr. R. E. Stubbs, Colonial Secretary, arrived on January 18, and administered the Government from the departure of Sir Henry McCallum in January until the arrival of Sir Robert Chalmers.

During this period Mr. L. W. Booth, C.M.G., Ceylon Civil Service, acted as Colonial Secretary.

Brigadier-General H. H. L. Malcolm, C.B., D.S.O., took over command of the forces in May, in succession to Brigadier-General A. J. Whitacre Allen.

Mr. L. W. Booth, Mr. W. H. Jackson, and Mr. J. G. Fraser of the Ceylon Civil Service received the honour of Companionship of the Most Distinguished Order of Saint Michael and Saint George.

Mr. Alfred Lascelles, K.C., Chief Justice, Mr. Ponnambalam Arunachalam of the Ceylon Civil Service, and Mr. Edward Rosling, Rural Member of the Legislative Council, received the honour of Knighthood.

Mr. Anton Bertram, Attorney-General, and Mr. J. R. Grenier, retired Puisne Judge, were appointed King's Counsel.

The following retirements from the Public Service took place during 1913 :— Mr. L. W. Booth, C.M.G., Acting Colonial Secretary; Mr. W. H. Jackson, Controller of Revenue; Mr. (now Sir) P. Arunachalam, Registrar-General; Mr. K. W. B. MacLeod, Mayor of Colombo; Mr. F. A. Cooper, C.M.G., Director of Public Works; Mr. T. J. Campbell, Conservator of Forests; Mr. R. W. Smith, Director of Irrigation; Mr. C. A. Lovegrove, Deputy Director of Public Works.

Amongst members of the general public, the retirements from Ceylon of Mr. A. Fairlie, Sir Stanley Bois, and Mr. (now Sir) Edward Rosling may be mentioned.

The deaths of Mr. Ivor E. David, Inspector-General of Police, which occurred in November, 1913, of Mr. John Ferguson, C.M.G., for many years a Member of the Legislative Council, which occurred in October, 1913, and of Mr. C. A. Murray, I.S.O., and Mr. G. C. Roosmalecok, retired Civil Servants, are recorded with regret.

## CONDITION OF THE PEOPLE.

The general condition of the Colony is one of continued prosperity. The staple agricultural products—coconuts, paddy, tea, rubber, cocoa, and cinnamon—are flourishing.

The standard of comfort has risen. The villager now requires a better house and better furniture. He is better clothed and better fed. If the spread of civilisation has increased his facilities for making money, it has likewise increased his powers of spending it, and has, perhaps, occasionally diverted it into undesirable channels.

March 30, 1914.

D. W. ARNOTT,  
Second Assistant Colonial Secretary.







## COLONIAL REPORTS, &c.

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### ANNUAL.

No.	Colony, &c.	Year.
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770	Gold Coast .. .. .	1912
771	Ashanti .. .. .	"
772	Nyasaland .. .. .	1912-1913
773	Bechuanaland Protectorate .. .. .	"
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778	Imperial Institute .. .. .	1912
779	Barbados .. .. .	1912-1913
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784	British Honduras .. .. .	1912
785	Northern Nigeria .. .. .	"
786	Malta .. .. .	1912-1913
787	Uganda .. .. .	"
788	Mauritius .. .. .	1912
789	Straits Settlements .. .. .	"
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791	East Africa Protectorate .. .. .	"
792	Grenada .. .. .	1912
793	Leeward Islands .. .. .	1912-1913
794	St. Lucia .. .. .	"
795	St. Vincent .. .. .	"
796	Bermuda .. .. .	1912
797	Ceylon .. .. .	"
798	Gibraltar .. .. .	1913
799	St. Helena .. .. .	"
800	Turks and Caicos Islands .. .. .	"
801	Seychelles .. .. .	"

### MISCELLANEOUS.

No.	Colony, &c.	Subject.
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79	Northern Nigeria .. .. .	Mineral Survey, 1907-8 and 1908-9.
80	Nyasaland .. .. .	Mineral Survey, 1908-9.
81	Southern Nigeria .. .. .	Mineral Survey, 1908-9.
82	Imperial Institute .. .. .	Rubber and Gutta-percha.
83	Southern Nigeria .. .. .	Mineral Survey, 1910.
84	West Indies .. .. .	Preservation of Ancient Monuments, &c.
85	Southern Nigeria .. .. .	Mineral Survey, 1911.
86	Southern Nigeria .. .. .	Mineral Survey, 1912.
87	Ceylon .. .. .	Mineral Survey.







# COLONIAL REPORTS—ANNUAL.

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No. 855.

CEYLON.

REPORT FOR 1914.

(For Report for 1913 see No. 802.)

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Presented to both Houses of Parliament by Command of His Majesty.  
*September, 1915.*

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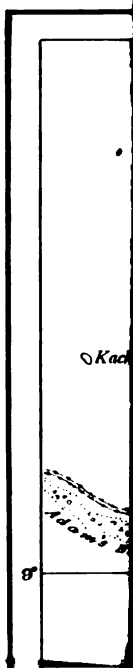
## CONTENTS.

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### Map of Ceylon.

	PAGE
I.—General .. .. .	1
II.—Financial .. .. .	3
III.—Agriculture and Industries .. .. .	4
IV.—Trade .. .. .	6
V.—Shipping .. .. .	13
VI.—Legislation .. .. .	14
VII.—Education .. .. .	15
VIII.—Government Institutions .. .. .	16
IX.—Crime .. .. .	17
X.—Vital Statistics .. .. .	18
XI.—Postal Service .. .. .	20
XII.—Public Works .. .. .	21
XIII.—Colombo Port Commission .. .. .	23
XIV.—Excise .. .. .	24







## REPORT ON THE CEYLON BLUE BOOK FOR 1914.

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### I.—GENERAL.

#### IMPORTANT EVENTS.

APART from the outbreak of war in August and its effect on the Colony, the following are the principal events which occurred during 1914 :—

In the early part of the year plague made its appearance in Colombo for the first time. The infection spread throughout Colombo, but though imported cases occurred in Jaffna and Kurunegala, no other place became infected. The disease did not become epidemic, the greatest number of cases in one month being 71 in March.

The railways and ferry service connecting Ceylon with India by way of Mannar and Dhanushkodi were formally opened on February 24.

In April an administrative change of importance was introduced by the appointment of a Consultative Committee on Roads.

The foundation stone of the King Edward VII. Memorial, which is to take the form of an Anti-Tuberculosis Institution, was laid in June.

The Commission which was appointed to report on the affairs of the Colombo Municipality concluded its sittings in September.

#### THE PUBLIC SERVICE.

Sir Alfred Lascelles, K.C., Chief Justice, retired in August, 1914, and was succeeded by Mr. A. Wood Renton, Senior Puisne Justice.

Mr. W. S. Shaw, Chief Justice, British Honduras, was appointed Third Puisne Justice.

Mr. G. S. Saxton, Government Agent, Central Province, retired from the Public Service in December.

Mr. A. R. Slater of the Civil Service and Mr. D. MacGregor, Colonial Auditor, were appointed to posts in other Colonies, the former as Colonial Secretary of the Gold Coast and the latter as Treasurer of Nigeria.

Dr. A. Castellani, Director of the Bacteriological Institute, retired from the Public Service to take up the appointment of Regius Professor of Tropical Medicine at the University of Naples.

Mr. H. L. Dowbiggin, Superintendent of Police, was appointed Inspector-General of Police in succession to the late Mr. Ivor E. David.

Mr. R. E. Stubbs, Colonial Secretary, received the honour of Companionship of the Most Distinguished Order of St. Michael and St. George, and Mr. Hector van Cuylenburg, Burgher Member of the Legislative Council, received the honour of Knighthood.

The deaths of Mr. E. R. Ayrtton, Archæological Commissioner, and Mr. G. M. Clark, Irrigation Engineer, who were drowned while boating on Tissamaharama tank, of Mr. J. N. Tisseveresinghe, Second Tamil Member of the Legislative Council, of Mr. W. E. Thorpe, Government Agent of the Eastern Province, and Mr. J. O'K. Murty, District Judge of Jaffna, are recorded with regret.

#### THE EFFECT OF THE WAR ON CEYLON.

The outbreak of war with Germany and Austria in August and the subsequent breach of relations with Turkey served to emphasize the unquestioned loyalty of the permanent population of the Colony. The latter event in particular



evoked from the Muhammadan community striking and unanimous manifestations of their adherence to the Throne. Hardly less noteworthy was the absence of any symptoms of panic, and it is gratifying to be able to record that, in spite of some unavoidable disturbance to the continuity of certain industries, there has been a remarkable lack of distress arising from unemployment.

The effects of the war on the finances and the trade of the Colony are dealt with in other sections of this report, and it will be sufficient here to note briefly such local incidents of importance as occurred in consequence of the war.

A Prize Court was established shortly after the commencement of the war and dealt with the enemy merchant ships—seven in number—which were captured or detained in Colombo Harbour. One of these ships was sold locally after condemnation, another was used to convey local produce to the United Kingdom, and the remainder were handed over to the Indian Government.

The crews of the captured ships were detained as prisoners of war at Ragama. After a short time they were removed to Diyatalawa, where they were interned, together with Ceylon residents of enemy nationality, in the camp which was originally constructed for the detention of prisoners sent to Ceylon during the Boer war.

Their number has been increased by the addition of enemy subjects captured on vessels calling at Colombo, and also of wounded prisoners taken by H. M. A. S. "Sydney" after her engagement with the "Emden."

A company of the Ceylon Planters' Rifle Corps after training at Diyatalawa left for Europe in November. War with Turkey broke out while they were on their way, and the company disembarked at Port Said and remained in Egypt, where they were attached to the New Zealand Forces. A number of the rank and file received commissions in other units.

Excellent work was done by the principal Ceylonese Corps, the Ceylon Light Infantry. Several companies were mobilized soon after the commencement of the war, and performed the important duties of guarding bridges and other points of strategic importance.

The Ceylon Artillery Volunteers and the Ceylon Engineer Volunteers were also mobilized, and assisted in their respective capacities in manning the defences of Colombo, the latter Corps being employed on the searchlights in the vicinity of the harbour.

A Town Guard was formed for the defence of Colombo, and nearly all the European residents of Colombo who were not already members of the existing Volunteer Forces were enrolled in this Corps.

#### THE CONDITION OF THE PEOPLE.

In spite of the effects of the war on prices and employment the year under review was, on the whole, a prosperous one. There were no serious floods, and, with the exception of plague in Colombo and one or two small outbreaks of smallpox, no serious epidemics.

The condition and health of the villager throughout the Island are being materially improved, as a result of the increased attention paid to sanitation and of the spread of medical facilities. Most striking results were obtained from the new treatment of "parangi," a disease which until recently was believed to be ineradicable.

Paddy crops were in the main satisfactory, and the other principal agricultural products of the Island—tea, rubber, coconuts, cocoa, and cinnamon—continued to flourish.

The general prosperity of the Island was reflected in the steady demand for Crown land.

## II.—FINANCIAL.

Owing to the decision that the financial year of the Colony should in future run from October 1 to September 30 instead of from July 1 to June 30, the period under review consists of fifteen months, viz., from July, 1913, to September, 1914.

### REVENUE.

The revenue collected during this period amounted to Rs. 67,221,964, an excess of Rs. 5,351,963 over the estimate. The proportionate revenue for twelve months exceeds the revenue for the preceding year by Rs. 2,605,035.

The sources of revenue which contributed principally to this increase were the Customs, the Government Railway, and Excise and other Licenses.

In the last two months of the financial period there was a marked decrease in the revenue under the first two of these heads, owing to the outbreak of war and the consequent temporary disturbance to trade.

The average annual increase in the revenue since 1908 is between  $3\frac{1}{2}$  million and 4 million rupees, and it is probable that this average would have been maintained but for the outbreak of war.

### EXPENDITURE.

The expenditure for 1913-14 was estimated at Rs. 73,203,454, and the amount actually expended was Rs. 69,367,397.

The proportionate expenditure for twelve months shows an increase of Rs. 7,822,989 over the expenditure of 1912-13. This was due mainly to the increased expenditure of the Public Works and Railway Departments and of the Port and Marine Department of Colombo.

Apart from ordinary expenditure, a sum of Rs. 6,897,951 was spent on Extraordinary Public Works chargeable to Loan Funds.

### ASSETS AND LIABILITIES.

The assets of the Colony on September 30, 1914, were Rs. 40,615,386, and the liabilities Rs. 14,941,983. The assets consist largely of advances to local bodies, and in particular to the Municipality of Colombo, and the principal item among the liabilities is the Widows' and Orphans' Pension Fund.

### PUBLIC DEBT.

At the close of the financial period the public debt of the Colony stood at £5,949,151, approximately one and two-third times the annual revenue.

Of the loan of £3,436,854 authorized by Ordinance No. 6 of 1909 to meet the cost of the Colombo Harbour and Drainage Works, the Mannar Railway, and railway and other public works, a sum of £1,500,000 was raised at 98½, bearing interest at  $3\frac{1}{2}$  per cent., in 1909-10, and a further sum of £1,000,000 at 99, bearing interest at 4 per cent., was raised in 1914. A balance (£128,653) of the latter loan has been carried forward to meet expenditure in 1914-15. Any excess thereon will be met from revenue till the remaining portion of the loan is raised.

### CURRENCY.

On September 30, 1914, the value of currency notes in circulation was Rs. 27,902,000, and the currency reserve on that date consisted of Rs. 3,682,500 in gold, Rs. 9,058,200 in silver, and Rs. 15,161,300 in British, Colonial, and Indian investments.

### III.—AGRICULTURE AND INDUSTRIES.

#### AGRICULTURE.

Agricultural industries suffered serious dislocation on the outbreak of war, but by the close of the year normal conditions had been for the most part restored.

*Coconuts.*—The price of copra, which had fallen to Rs. 30 per candy for a few parcels on the declaration of war, rapidly recovered and rose to Rs. 77 at the close of 1914, with the prospect of the market still further improving. Some of the largest local buyers were German firms, whose partners were interned as prisoners of war, and whose businesses were put in the hands of controllers; there has, however, been no lack of markets, and there is every prospect of new and important markets being opened by the war.

*Coconut Fibre.*—This industry, especially on the seaboard on the Western and Southern Provinces, has been seriously affected by the war, as the market was chiefly continental.

*Tea.*—Owing to shortage of rainfall in the early months of the year, causing considerable deficiency in some districts, the estimate for the year was not quite realized, though the output was slightly in excess of that of 1913. The reduction of labour on rubber estates has had the effect of a more plentiful supply being available for tea plantations, which have been maintained in a state of good cultivation. The large demands from Russia have helped to keep up prices, which have been maintained at a high level.

*Rubber.*—The outlook was uncertain during the latter part of the year, owing to the continental market being cut off and exports to America prohibited. The fears of a serious slump were not realized, and though standard crêpe fell in December to 1s. 11½d.—the lowest price touched during the year—this created no uneasiness. Reduction in cost of production has more than kept pace with reduction in price, while the standard of cultivation has improved.

*Cocoa.*—The crop was below that of 1913, and the quality below average on account of the unusually wet weather of October, November, and December, necessitating curing indoors and causing a considerable increase of canker. After the outbreak of war prices fell considerably, and lower grades became almost unsaleable. The market speedily recovered, and the year ended with prices slightly higher than those at the end of 1913.

*Tobacco.*—This industry has also been seriously affected by the war, especially in the Northern Province. A Government expert is at work endeavouring to establish better types suitable for the English market.

*Co-operative Credit Societies.*—Progress has been made with the movement in some parts of the Island, in spite of a considerable amount of local apathy to be overcome. There are now 50 registered societies.

#### THE AGRICULTURAL SOCIETY.

This Society has a roll of 1,889 members—922 local and 967 foreign.

The organ of the Society is the "Tropical Agriculturist."

The Society publishes two vernacular magazines, one in Sinhalese (Govikam Sangarawa) and the other in Tamil (Kamat Tholil Velakkam), and periodically issues special leaflets.

A stock of plants and seeds is available at cost price, to members only, at the beginning of each planting season.

Twelve instructors were employed during the year for service chiefly among native cultivators, and ten experimental and demonstration gardens were maintained in different parts of the Island.

### SALE AND SETTLEMENT OF LAND.

The total extent of Crown land sold and settled (exclusive of settlements under the Waste Lands Ordinance) was 27,471 acres. An area of 87,275 acres was settled under the Waste Lands Ordinance by the Land Settlement Department, as against 99,500 acres in 1913.

The decrease is due to the fact that the activities of the Department were curtailed by a number of its officers and those of the Survey Department being employed on special duty after the outbreak of the war.

### CATTLE.

*Rinderpest*.—Outbreaks occurred in all Provinces except the Southern. The steady decrease of the last three years continued. The totals for the last four years are :—

Year.				Number of Cases.
1911	..	..	..	15,195
1912	..	..	..	9,103
1913	..	..	..	4,848
1914	..	..	..	3,835

Of the cases during 1914, 1,182 recovered, 2,298 died naturally, 352 were shot, and 3 remained on hand at the close of the year.

*Foot-and-mouth Disease*.—During 1914 this disease prevailed all over the Island. Cases 8,664, recoveries 8,305, deaths 79, shot 5, balance ill at the close of the year 275.

### SALT.

The manufacture and collection of salt is a Government monopoly, which is protected by the imposition of a duty on imported salt. Salt is sold to purchasers from all Government salt stores at Rs. 3 per cwt.; and the amount realized by its sale in 1914 was Rs. 1,582,178·89, as compared with Rs. 1,618,674·22 in 1913 and Rs. 1,522,542·73 in 1912.

The year was favourable for the production of salt, and a fairly large harvest was collected. No restriction was placed on the output, and the total yield for the Island amounted to 522,350 cwt., the best since 1910, when the total reached 759,396 cwt. The quantity secured in 1911 was 328,199 cwt., in 1912 it was 276,781 cwt., and in 1913 210,310 cwt.

### PEARL FISHERY.

No pearl fishery was held in 1914, nor does there appear to be any prospect of a fishery in the near future. The last was held in 1907.

### MINERAL SURVEY.

During the first five months of the year explorations of the high patana country and of the Kalu-ganga valley were carried on. Valuable information was obtained as to the source of the thoria minerals and corundum in the alluvial deposits of the Island, but no deposits of actual commercial value were discovered. The examination of the Kalu-ganga valley, with special reference to the occurrence of deep-lying alluvial deposits, was not completed before the end of the the dry season.

From June to December both officers of the Survey were on leave.

### FORESTS.

Forest exploitation has been directed towards the elimination of over-mature timber, which retarded future generation of crops, and the utilization of timber on areas to be alienated for sale, lease, or irrigation purposes.

Public Departments have been supplied during 1914 with 1,257,860 cubic feet of timber approximately, the royalty value of which was Rs. 149,283, and cost Rs. 244,345.

Since 1906 the Forest Department has delivered 682,308 broad gauge and 223,969 narrow gauge sleepers to the Railway, the average cost of delivery to date being Rs. 3·64 per broad gauge and Re. 1·57 per narrow gauge sleeper. The Railway previously paid over Rs. 5 per broad gauge sleeper and Rs. 3·25 per narrow gauge sleeper for supplies of Jarrah, so that a considerable saving has been effected by the supply being obtained from the local forests, while the local sleepers are admittedly more durable than the imported ones.

#### MINING.

The plumbago industry suffered during 1914, first, from competition with Madagascar ; and secondly, from the war, owing to prohibition of export to the American markets. The value of plumbago exported in 1914 was approximately 42 lakhs, as compared with 90 lakhs in 1913.

The gemming industry, which is principally carried on in Sabaragamuwa, also suffered from the effects of the war.

#### MANUFACTURES.

There is nothing of note to record with regard to the manufactures of Ceylon in 1914. They are for the most part confined to the preparation of agricultural products.

Weaving, lace-making, silver and brass work, and ivory-carving give employment to a few families, who have carried on these arts for generations and supply only local demands.

#### IV.—TRADE.

The total value of Ceylon trade in the year 1914, though falling short of that of 1913, showed an increase over that of previous years, as will be seen from the following table :—

Aggregate Value of Imports and Exports for the last Ten Years (omitting Specie, but including Coal exported for the use of Steamers).

Year.	Lakhs of Rupees.	Year.	Lakhs of Rupees.
1905 ..	.. 2,240	1910 ..	.. 3,321
1906 ..	.. 2,363	1911 ..	.. 3,523
1907 ..	.. 2,631	1912 ..	.. 3,886
1908 ..	.. 2,648	1913 ..	.. 4,329
1909 ..	.. 2,853	1914 ..	.. 4,022

The Customs revenue collected in 1914 showed a decrease of Rs. 581,581 compared with 1913. Up to the end of August the revenue showed an advance of Rs. 913,673 over the corresponding period of 1913, when it declined rapidly during the months of September and October owing to the war, and more particularly to the presence of the "Emden" in the Indian Ocean and shortage of freight. There was a slight recovery during the last two months of the year, but it cannot be expected that the revenue will maintain its former level under present conditions.

The chief articles contributing to the revenue in 1914 were :—

	Ra.
Grain ..	.. 4,071,681
Spirits ..	.. 2,045,214
Kerosine Oil ..	.. 1,712,643
Sugar ..	.. 1,433,476
Cotton Goods ..	.. 499,917

The total trade of the Colony, excluding specie and coal exported for use of steamers, amounted to Rs. 390,681,395, a decrease of Rs. 28,378,645 below 1913.

The following table shows in detail the annual value of the trade of the Colony for the last ten years, excluding specie and value of coal exported for the use of steamers :—

Year.		Imports. Rs.		Exports. Rs.		Total. Rs.
1905	..	108,324,328	..	102,189,709	..	210,514,037
1906	..	112,789,269	..	109,711,644	..	222,500,913
1907	..	120,061,934	..	129,368,251	..	249,430,185
1908	..	122,420,393	..	128,962,156	..	251,382,549
1909	..	125,441,597	..	146,899,631	..	272,341,228
1910	..	150,195,648	..	166,471,607	..	316,667,255
1911	..	156,986,106	..	180,526,959	..	337,513,065
1912	..	175,322,979	..	198,954,902	..	374,277,881
1913	..	186,073,086	..	232,986,954	..	419,060,040
1914	..	172,317,549	..	218,363,846	..	390,681,395

The excess of exports over imports in recent years is due almost entirely to the influence of rubber. In 1906, the last year in which the value of imports exceeded the value of exports, the value of rubber exports was Rs. 1,527,539. In 1914 it was Rs. 57,220,155, exclusive of Straits and Indian rubber transhipped here to the value of 4½ millions of rupees.

Of the total exports in 1914, Rs. 210,711,403 represents the produce and manufacture of the Colony, and Rs. 7,652,443 represents British, foreign, and other colonial produce and manufacture.

The following table gives an analysis of the distribution of the trade of Ceylon among (1) the United Kingdom, (2) British Colonies, (3) Foreign Countries during the last three years, excluding imports of rubber, specie, and coal exported for the use of steamers :—

<i>Imports.</i>						
		1912.		1913.		1914.
From United Kingdom	..	29·6	..	30·1	..	29·5
From British Colonies	..	55·4	..	54·4	..	55
From Foreign Countries	..	15	..	15·5	..	15·5
<i>Exports.</i>						
To United Kingdom	..	49·1	..	45·3	..	52·9
To British Colonies	..	13·3	..	12·2	..	13·5
To Foreign Countries	..	37·6	..	42·5	..	33·6
<i>Total Trade.</i>						
With United Kingdom	..	40·1	..	38·7	..	42·8
With British Colonies	..	32·7	..	30·6	..	31·4
With Foreign Countries	..	27·2	..	30·7	..	25·8

These figures show a marked decrease in the percentage of the trade with foreign countries, due principally to Germany having dropped out of the market.

It is, however, significant that the proportion of imports from foreign countries has not been affected, probably owing to large German imports previous to the outbreak of war.

#### IMPORTS.

A comparison of the value of imports in 1913 and 1914 shows decreases under nearly all the important heads.

*Confectionery.*—The total imports were 1,052,870 lb., a decrease of 30 per cent.

*Cement.*—355,147 cwt. were imported in 1914, as against 439,426 cwt. in 1913. The United Kingdom sent in 1914 as much as in the previous year, but while 176,152 cwt. were imported from Germany in 1913, she was only able to supply 77,360 cwt. in 1914. Coal imports have decreased from 744,529 tons in 1913 to 598,957 tons in 1914. There was a drop in Indian and Japanese coal.

*Cotton, manufactured and raw,* shows a decrease from Rs. 14,013,451 in 1913 to Rs. 13,062,117 in 1914, due principally to smaller imports of dyed piece goods from British India. The value of imports from the United Kingdom shows a decrease of Rs. 117,370, from British Colonies of Rs. 983,894, but there was an increase of Rs. 149,930 from foreign countries.

*Grain.*—The quantity of rice cleared for home consumption was practically the same as that cleared during the previous year, the figures being: 1913, 7,530,723 cwt.; 1914, 7,400,269 cwt.

*Horses and Motor Cars.*—The number of motor cars imported during the last six years is as follows:—

1909 ..	..	75	1912 ..	..	239
1910 ..	..	151	1913 ..	..	407
1911 ..	..	213	1914 ..	..	459

There was a corresponding decrease in the number of horses imported, the figures being as follows:—

Year.	No. of Horses imported.	Year.	No. of Horses imported.
1910 ..	.. 786	1913 ..	.. 246
1911 ..	.. 483	1914 ..	.. 332
1912 ..	.. 384		

(The large number imported in 1914 is only apparent, as 217 horses re-exported during the last four months of the year have to be deducted from the figures, the number re-exported under normal conditions being trifling.)

The increasing popularity of motoring is strikingly reflected in the imports of petrol. The figures since 1909 are—

Year.	Gallons.	Year.	Gallons.
1909 ..	.. 66,208	1912 ..	.. 216,714
1910 ..	.. 136,646	1913 ..	.. 383,442
1911 ..	.. 206,208	1914 ..	.. 701,082

*Lamps.*—The total number imported was 322,040, valued at Rs. 232,786. Austria and Germany together supplied about half the number, representing one-third of the total value. The average value entered at the Customs was highest for English lamps, and lowest for lamps made in Japan; the latter consisting largely of small glass kitchen lamps costing 6 cents each.

*Metals and Metalware.*—The total value of imports was Rs. 7,837,819, a decrease of Rs. 3,207,367 below 1913. The most noticeable decreases were in hardware (10½ lakhs), galvanized iron (6½ lakhs), cast steel (5½ lakhs), and steelware (4½ lakhs). On the other hand, tea and pig lead alone showed a fair increase, due to activity in the tea trade.

*Manure.*—There was a decrease in manure imports from 80,600 tons in 1913 to 61,800 tons in 1914. The decrease under fish manure alone was 16,270 tons. The total imports in 1914 are the lowest since 1910. Supplies from Germany during the second half-year of 1914 fall short of the figures for the corresponding period of 1913 by 4,060 tons.

*Spirits.*—The total quantity cleared has fallen from 391,366 gallons in 1913 to 331,006 gallons in 1914. All kinds show decreases except brandy. The importation of arrack from India under the Governor's warrant has now ceased.

*Sugar.*—The imports of candy and refined sugar decreased from 527,378 cwt. in 1913 to 470,378 cwt. in the year under review. Java and Hong Kong, the two chief suppliers, sent 68 per cent. of the total, as against 87 per cent. in 1913. Mauritius took the third place in 1914 by supplying nearly 13 per cent. of the total.

*Tobacco, Cigars, and Cigarettes.*—The amounts cleared during the last three years are—

Year.	Cigars. lb.	Cigarettes. lb.	Manufactured Tobacco. lb.	Total. lb.
1912 ..	21,842	282,158	53,276	357,276
1913 ..	22,081	318,955	48,258	389,294
1914 ..	22,803	329,230	39,149	391,182

The duty on tobacco was considerably enhanced with effect from December 18, 1914.

### *Ceylon's Chief Sources of Supply.*

The following table shows the changes in the relative positions of the various countries which export goods to Ceylon. The percentages are percentages of value :—

	1912.		1913.		1914.	
	Per Cent.	Position.	Per Cent.	Position.	Per Cent.	
1. British India	45·81	1	40·83	1	35·93	
2. United Kingdom	28·76	2	29·19	2	28·58	
3. Straits Settlements	3·81	3	6·12	3	8·94	
4. Burma	2·37	5	3·82	4	6·11	
5. Germany	3·37	4	3·24	5	2·49	
6. Japan	2	6	2·21	6	1·71	
7. Java	1·86	7	1·75	7	1·5	
8. United States of America	1·11	10	1·28	8	1·33	
9. Maldiv Islands	1·29	8	1·19	9	1·21	
10. Siam	·48	18	·37	22	1·1	
11. Persia	·00	30	·01	29	·88	
12. Holland	·92	11	·72	14	·85	
13. France	·74	12	·79	12	·83	
14. Belgium	·7	13	·93	10	·8	
15. Natal	·12	27	·73	13	·79	
16. Hong Kong	1·27	9	·91	11	·77	
17. Victoria	·51	15	·44	20	·76	
18. Austria	·49	17	·51	19	·6	
19. China (excluding Hong Kong)	·17	25	·38	21	·53	
20. Italy	·37	22	·54	17	·46	
21. India (excluding British)	·31	23	·34	23	·46	
22. Borneo (excluding British)	·63	14	·51	18	·46	
23. Western Australia	·39	21	·29	24	·39	
24. South Australia	·49	16	·56	16	·36	
25. Mauritius	·02	28	·06	28	·34	
26. Sweden	·16	26	·19	26	·23	
27. New South Wales	·21	24	·17	27	·23	
28. Switzerland	·4	20	·26	25	·22	
29. Tasmania	·01	29	·00	30	·18	
30. Russia in Asia	·47	19	·66	15	·15	

The United Kingdom has maintained her position as against foreign competitors.

India's position at the head of the table is by virtue of her enormous supplies of rice and other food stuffs for the native population. Her setback during the year was largely owing to a reduction in her export of rice, which has been met by a corresponding increase in the supplies from the Straits Settlements and Burma.

The figures for the Straits Settlements are somewhat fictitious, as they include the value of rubber which is brought here and speedily re-shipped.



## EXPORTS.

Ceylon's chief export products in order of value are as follows :—

		Lakhs of Rupees.				Lakhs of Rupees.	
		1913.	1914.			1913.	1914.
1.	Tea ..	877	897	9.	Cinnamon ..	24	16
2.	Rubber ..	612	572	10.	Citronella oil ..	16	13
3.	Copra ..	209	232	11.	Coir yarn ..	15	13
4.	Coconut oil ..	167	134	12.	Coir fibre ..	15	13
5.	Desiccated ..			13.	Tobacco ..	8	9
	coconuts ..	78	78	14.	Poonac ..	11	9
6.	Plumbago ..	90	42	15.	Coconuts ..	14	9
7.	Cocoa ..	30	20	16.	Cardamoms..	9	7
8.	Arecanuts ..	30	18				

Plumbago, arecanuts, coir fibre, coconuts, and cardamoms have receded, and desiccated coconuts, cocoa, coir yarn, and tobacco have advanced. Until 1911 the total value of the products of the coconut palm came next to that of tea, but thereafter rubber took the second place. Its value in 1914 was some 80 lakhs more than the value of the products of the palm for the same year.

Ceylon's best customers are given below :—

		1912.		1913.		1914.
		Per Cent.		Per Cent.		Per Cent.
United Kingdom	..	49·45	..	45·54	..	53·88
United States of America	..	16·58	..	16·63	..	14·1
Germany	..	7·08	..	10·11	..	5·48
Russia in Europe	..	3·61	..	4·63	..	3·13
Belgium	..	3·34	..	4·59	..	2·71
New South Wales	..	2·28	..	2·24	..	2·56
Victoria	..	2·11	..	2·14	..	2·46
British India	..	2·86	..	2·39	..	2·07
Canada	..	2·09	..	1·68	..	1·97
New Zealand	..	1·24	..	1·11	..	1·57
Russia in Asia	..	1·39	..	1·42	..	1·32
China (excluding Hong Kong)	..	1·49	..	1·7	..	1·31
Denmark	..	·65	..	·26	..	1·2
Austria	..	·83	..	·66	..	·85
Holland	..	·25	..	·25	..	·71
France	..	·41	..	·38	..	·54
South Australia	..	·33	..	·34	..	·42
Norway	..	·45	..	·57	..	·35
Egypt	..	·3	..	·25	..	·33
Japan	..	·18	..	·37	..	·31
Natal	..	·3	..	·28	..	·29
Queensland	..	·26	..	·22	..	·28
Cape Colony	..	·26	..	·23	..	·27
Straits Settlements	..	·3	..	·32	..	·26
Spain (excluding Gibraltar)	..	·35	..	·22	..	·25
West Australia	..	·2	..	·18	..	·21
Philippines	..	·21	..	·17	..	·17
Hong Kong	..	·05	..	·06	..	·16
Italy	..	·13	..	·18	..	·1
India (excluding British)	..	·12	..	·09	..	·08
Newfoundland	..	·14	..	·06	..	·08
Roumania..	..	—	..	·04	..	·07
Sweden	..	·11	..	·09	..	·07
Turkey in Asia	..	·06	..	·07	..	·07

A striking feature in the table is the general increase in the percentages taken by the United Kingdom and her Colonies. Their combined takings rose from Rs. 127,866,155 in 1913 to Rs. 140,509,097 in 1914, an increase of Rs. 12,642,942, or about 10 per cent.

*Tea.*

Tea exports were the largest on record, and showed an increase of nearly  $\frac{1}{2}$  million pounds over the previous record (1909). The increase over 1913 amounted to 2 million pounds, while the average price was also higher than in

that year. The figures for the last seven years are here shown in millions of pounds :—

	Millions of lb.		Millions of lb.
1908 ..	180	1912 ..	192
1909 ..	192	1913 ..	191
1910 ..	182	1914 ..	193
1911 ..	186		

The following table shows the comparative distribution, 1913 and 1914 :—

Principal Markets for Ceylon Tea.

	1913. lb.	1914. lb.	Increase. lb.	Decrease. lb.
United Kingdom ..	111,646,640	115,888,689	4,242,049	—
British Colonies—				
British India ..	1,624,400	2,062,129	437,729	—
Canada ..	7,624,464	8,522,964	898,500	—
Cape Colony ..	832,729	975,502	142,773	—
Hong Kong ..	186,081	193,060	6,979	—
Malta ..	122,357	100,222	—	22,135
Mauritius ..	107,627	104,787	—	2,840
Natal ..	1,221,449	1,241,785	20,336	—
Newfoundland ..	310,620	349,744	39,124	—
New South Wales ..	9,823,133	10,797,256	974,123	—
New Zealand ..	5,153,207	6,679,761	1,526,554	—
Queensland ..	908,802	1,087,632	178,830	—
South Australia ..	1,560,867	1,782,070	221,203	—
Straits Settlements ..	504,200	461,680	—	42,520
Victoria ..	7,910,968	7,972,142	61,174	—
Western Australia ..	786,294	873,774	87,480	—
Other British Possessions	517,092	414,973	—	102,119
Total British Possessions	39,194,290	43,619,481	4,594,805	169,614
		Deduct Decrease ..	169,614	
		Nett Increase ..	4,425,191	
Foreign Countries—				
Austria ..	368,149	223,109	—	145,040
Belgium ..	104,711	49,877	—	54,834
China (excluding Hong Kong) ..	8,247,053	5,862,619	—	2,384,434
Egypt ..	578,264	1,232,202	653,938	—
France ..	752,918	928,118	175,200	—
Germany ..	631,677	399,071	—	232,606
Japan ..	56,135	66,039	9,904	—
Mozambique ..	119,225	201,446	82,221	—
Philippine Islands ..	61,182	65,181	3,999	—
Russia in Asia ..	6,930,732	5,983,696	—	947,036
Russia in Europe ..	13,304,651	7,925,794	—	5,378,857
South America ..	54,159	58,731	4,572	—
Sweden ..	123,676	80,042	—	43,634
Turkey in Asia ..	105,697	79,072	—	26,625
United States of America	8,896,386	10,667,008	1,770,622	—
Other Foreign Countries	333,869	253,417	—	80,452
Total Foreign Countries	40,668,484	34,075,422	2,700,456	9,293,518
		Deduct Increase ..	2,700,456	
		Nett Decrease ..	6,593,062	
Grand Total ..	191,509,414	193,583,592	2,074,178	—

The very large diminution in the supplies taken by Russia in Europe was due to the Russian Volunteer Fleet having suspended its service between Colombo and Odessa owing to the war. China and Russia in Asia also show considerable decreases, but the end of the year saw a very large demand for teas for Russia *via* Vladivostock; exports to nearly every British Colony and the United Kingdom were appreciably larger than in the previous year.

### *Products of the Coconut Palm.*

The exports under this head were valued at 491 lakhs, as against 514 lakhs in 1913. Of the three principal products, copra and desiccated coconuts show large increases, while coconut oil shows a decrease. The figures for the last six years are as follows :—

Year.	Desiccated Coconuts. Cwt.	Copra. Cwt.	Coconut Oil. Cwt.
1909 ..	230,791 ..	784,522 ..	599,795
1910 ..	242,286 ..	758,711 ..	619,680
1911 ..	292,210 ..	821,814 ..	505,016
1912 ..	278,806 ..	614,089 ..	401,779
1913 ..	303,808 ..	1,117,292 ..	546,984
1914 ..	311,864 ..	1,411,947 ..	486,286

The average price for coconut oil was Rs. 27·54 per cwt. The price for copra varied considerably during the year, the average entered value per cwt. being about Rs. 3 lower than in 1913.

### *Rubber.*

The export of Ceylon rubber has increased in amount but declined in value. 226,491 cwt. valued at 61½ million rupees were exported during 1913, but while the exports amounted to 306,724 cwt. during 1914, their value was only 57½ million rupees.

The distribution of rubber among the two largest buyers for the past two years is—

	1913. Per Cent.	1914. Per Cent.
United Kingdom ..	55·38 ..	62·9
United States of America ..	23·89 ..	23·19

The following statement shows the growth in the amount of rubber exported :—

	Cwt.		Cwt.
1910 ..	33,952	1913 ..	226,491
1911 ..	61,212	1914 ..	306,724
1912 ..	132,569		

Ten years ago the export for the year only amounted to 676 cwt.

### CUSTOMS DUTIES.

All imports not specially rated or exempted by the tariff are liable to a Customs duty of 5½ per cent. *ad valorem*.

From December 18, 1914, all spirits other than perfumed and sweetened are liable to an import duty of Rs. 9·37 per proof gallon with a minimum rate of Rs. 8 per gallon, sweetened spirits to Rs. 9·37 per imperial gallon, unmanufactured tobacco, including hooka, to Re. 1·50 per lb., and cigars, cigarettes, and manufactured tobacco to Rs. 3 per lb.

V.—SHIPPING.

The total number of all vessels which entered the ports of the Island in 1914 was 4,401, with a tonnage of 9,338,535. This shows an increase of 118 vessels and a decrease of 765,192 tons as compared with 1913.

The following table gives the total number and nett tonnage of shipping entering all ports in Ceylon during the last three years :—

	1912.		1913.		1914.	
	Number.	Tons.	Number.	Tons.	Number.	Tons.
Merchant vessels (with cargo and in ballast) ..	2,430 ..	7,610,101 ..	2,464 ..	7,981,773 ..	2,523 ..	7,041,986
Merchant vessels (called to coal) ..	764 ..	2,032,397 ..	651 ..	1,816,376 ..	615 ..	1,728,558
Native sailing vessels ..	1,120 ..	96,989 ..	1,115 ..	106,958 ..	1,159 ..	103,541
Warships* ..	38 ..	177,110 ..	53 ..	198,620 ..	104 ..	464,450
<b>Total ..</b>	<b>4,352</b>	<b>9,916,597</b>	<b>4,283</b>	<b>10,103,727</b>	<b>4,401</b>	<b>9,338,535</b>

\* Warships displacement tonnage.

Omitting warships and vessels calling to coal, the following table gives the comparative distribution according to nationality for 1913 and 1914 :—

		1913.		1914.	
		Number.	Tons.	Number.	Tons.
1. {	British ..	1,660 ..	5,075,607 ..	1,840 ..	4,610,513
	British Colonial ..	992 ..	93,657 ..	1,033 ..	83,813
	<b>Total British Ships ..</b>	<b>2,652</b>	<b>5,169,264</b>	<b>2,873</b>	<b>4,694,326</b>
2.	German ..	251 ..	1,013,884 ..	151 ..	612,852
3.	French ..	131 ..	461,530 ..	116 ..	403,375
4.	Japanese ..	100 ..	416,620 ..	105 ..	435,657
5.	Dutch ..	104 ..	330,268 ..	120 ..	446,706
6.	Austrian ..	110 ..	326,428 ..	77 ..	225,966
7.	Russian ..	62 ..	168,086 ..	38 ..	98,600
8.	Spanish ..	26 ..	64,819 ..	26 ..	63,297
9.	Italian ..	17 ..	48,003 ..	19 ..	52,349
10.	Danish ..	16 ..	38,328 ..	16 ..	45,640
11.	Norwegian ..	23 ..	36,084 ..	25 ..	31,440
12.	Maldivian ..	123 ..	13,301 ..	108 ..	13,428
13.	Siameese ..	5 ..	8,139 ..	1 ..	2,228
14.	Swedish ..	1 ..	3,267 ..	3 ..	7,312
15.	Greek ..	— ..	— ..	4 ..	12,351
	<b>Total Foreign Ships ..</b>	<b>969</b>	<b>2,928,757</b>	<b>809</b>	<b>2,451,201</b>

The predominance of British shipping continues, but the decrease in tonnage of 474,938 tons is due to the war.

The falling off in German, Austrian, Russian, and French shipping is traceable to the same cause.

There has been a slight increase in the number of Dutch and Japanese vessels.

## VI.—LEGISLATION.

Thirty-four Ordinances were passed during the year 1914. The only Ordinances of special interest are a group connected with the outbreak of the present war. These Ordinances were as follows:—

- (a) "*The Effect of War Ordinance, No. 18 of 1914*," declared that all questions relating to the effect of war upon the legal rights and liabilities should be determined in accordance with law by which such questions would for the time being be determined in England.
- (b) "*The Necessaries of War Exportation Ordinance, No. 19 of 1914*," enlarged to the fullest possible extent the power of the Governor to prohibit the exportation of necessaries of war and generally of any articles the exportation of which would be liable to increase the resources of the King's enemies or to restrict the supplies of his forces and subjects.
- (c) "*The Trading with the Enemy Ordinance, No. 20 of 1914*," was passed to enforce the Trading with the Enemy Proclamation issued in the United Kingdom.
- (d) "*The Tea Cess Ordinance, No. 21 of 1914*," authorized the "Thirty Committee" to make patriotic gifts to the Prince of Wales's War Fund and the Russian troops.
- (e) "*The Volunteer Amendment (Town Guards) Ordinance, No. 22 of 1914*," put the Colombo Town Guard on a legal footing, and provided for the organization of similar town guards elsewhere.

About the time of the enactment of these Ordinances, two other Ordinances sanctioned before the outbreak of the war were opportunely passed, namely, "*The Wireless Ceylon Telegraph (Amendment) Ordinance, No. 15 of 1914*," which increased the Government control of wireless telegraphy, and "*The Aerial Navigation Ordinance, No. 24 of 1914*," which made the legislation of the Colony uniform with that of the mother country.

Another group of Ordinances to which attention may be called consists of Ordinances making the necessary adjustment in regard to cooly camps and Customs for the purpose of the new railway connection with India *via* Talaimannar. They are "*The Indian Coolies (Amendment) Ordinance, No. 3 of 1914*," and "*The Ceylon Railways (Amendment) Ordinance, No. 4 of 1914*." Contemporaneously with these was passed "*The Customs (Amendment) Ordinance, No. 5 of 1914*," which cleared up various doubts and regularized the various practices already in existence in the administration of the Customs of the Colony.

Two Ordinances, namely, "*The Excise (Amendment) Ordinance, No. 25 of 1914*," and "*The Ceylon Post Office (Amendment) Ordinance, No. 26 of 1914*," while dealing with other matters, were passed mainly with a view to give effect to the new and the more stringent policy adopted with regard to the importation and use of cocaine.

The only other Ordinance of any interest was "*The Habitual Criminals and Licensed Convicts Ordinance, No. 32 of 1914*," which introduced two new elements into the legislation on the subject, namely:—

- (a) A new scheme for the recording and improving of previous convictions of habitual criminals by means of finger prints;
- (b) A scheme of preventive detention following the lines of that recently introduced into the United Kingdom.

## VII.—EDUCATION.

It is difficult to draw a clear line between elementary and secondary education in Ceylon. The English-speaking community form scarcely one per cent. of the total population, so that most of the schools where English is taught are teaching a language which is foreign to the large majority of their pupils.

The vernacular schools constitute the real elementary education of the country.

## VERNACULAR EDUCATION.

In 1914 there were 794 Government vernacular schools, with an attendance of 82,092 boys and 25,273 girls. There were also 1,807 aided schools, with an attendance of 126,554 boys and 72,640 girls.

The total sum expended by Government on vernacular education in 1914 was approximately Rs. 1,217,888, of which, roughly speaking, Rs. 551,458 was spent on Government schools and Rs. 666,430 on aided schools.

The Rural Schools Ordinance is now in force in all districts of the Island except Jaffna.

At the end of 1914 there were 255 aided estate schools, and returns from 576 estates showed that of a total of 15,882 children of school-going age 7,703 were attending estate schools. Of these, 6,423 were boys and 1,280 girls.

A school for the deaf and blind has been carried on since 1912, and receives an annual grant from Government of Rs. 3,000.

## ENGLISH SCHOOLS.

In 1914 there were 247 English and Anglo-vernacular schools attended by 45,139 pupils, of whom 35,915 were boys and 9,224 girls.

In many of the schools candidates are prepared for the Senior and Junior Cambridge Local Examinations. In 1913 the candidates who presented themselves and the results obtained were—

			Candidates.		Honours.		Passed.
Senior	..	..	693	..	53	..	337
Junior	..	..	939	..	44	..	619

The results of the London University Examinations in 1914 showed that 63 candidates from Ceylon presented themselves for the Matriculation Examination, 29 of whom passed. In addition, 8 candidates passed the Intermediate Examination in Arts, 13 passed the Intermediate Examination in Science, 2 the examination for the degree of Bachelor of Arts, 2 the First Examination in Medical Degrees, and 1 the Bachelor of Laws.

The encouragement offered by Government takes the form either of grants or scholarships. In the majority of the aided English schools grants are paid on the results of examinations in the schedules of the Code, but in some of the more advanced schools the greater part of the grant is paid on the average attendance. Considerably more than Rs. 250,000 was expended in grants to English schools in 1914.

Two Government scholarships are offered annually, one on the results of the Intermediate Examination in Arts and the other on the results of the Intermediate Examination in Science. These scholarships are tenable for three years, and are of the value of £200 each per annum, with free passage to England and a £50 outfit allowance. The holders may join any British University, or study at any recognized engineering institution in the United Kingdom.

### TRAINING OF TEACHERS.

The Government Training College consists of three departments : English, Sinhalese men, and Sinhalese women. The object is to supply trained teachers for aided English schools and Government vernacular schools. At the beginning of 1914 the number of students in training was English 34, Sinhalese men 55, Sinhalese women 20.

### INDUSTRIAL SCHOOLS.

There are no Government industrial schools, but carpentry schools are attached to five Government schools in the Kandyan Provinces. In 1914 the aided industrial schools, which are 39 in number, received grants amounting to over Rs. 22,000. The trades taught were carpentry, dressmaking, printing, shoemaking, tailoring, lace-making, embroidery, gardening, and masonry.

The most important of these schools is the Maggona Certified Industrial School, which is utilized by Government as a reformatory for youthful offenders, and is carried on by the Roman Catholic Mission. This institution has an estate of some 300 acres and excellent buildings, towards the cost of which Government has contributed. Over 200 youthful offenders are at present receiving instruction in this school, and an allowance is paid by Government for the maintenance of each offender.

### AGRICULTURAL INSTRUCTION.

An attempt has been made to supply elementary agricultural instruction by a scheme for school gardens conducted in connection with Government schools. The gardens are under the supervision of the Department of Agriculture ; there is a Superintendent of School Gardens, who is assisted by three inspectors. 286 school gardens attached to Government schools are worked under this scheme, and 53 grant-in-aid schools receive garden grants. Seeds and implements are supplied by the Department of Agriculture, and prizes are offered for competition.

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## VIII.—GOVERNMENT INSTITUTIONS.

### HOSPITALS.

There are 80 Government hospitals equipped with modern hospital furniture and surgical appliances ; the number of beds in the institutions ranges from 12 to 647 ; in addition to the hospitals, there are 427 Government dispensaries and 366 estate dispensaries. The estate dispensaries are provided by the owners of the estates, and receive drugs free from Government up to a value of 50 cents per labourer per annum.

Three hospitals were completed and opened during the year, at Ingiriya, Undugoda, and Tissamaharama, respectively, and five others are in course of construction, at Pimbura near Agalawatta, Alutnuwara, Passara, Kitulgala, and Pelmadulla.

### MEDICAL INSTITUTIONS.

A general rebuilding scheme is in contemplation for the improvement of the Medical College. The full course of training for medical students is five years ; a diploma in medicine, surgery, and midwifery (which can be registered in the United Kingdom) is granted to successful medical students.

In Colombo there are a Bacteriological Institute, a General Hospital, Lunatic Asylum, an Ophthalmic Hospital, a Lying-in Home, a hospital for women and children, and one for infectious diseases ; there is an establishment where calf vaccine is manufactured, and there are special dispensaries at Kandy and Galle for the treatment of eye diseases.

### ASYLUMS.

The Lunatic Asylum contains 826 inmates. As there is very considerable overcrowding in the present building, it is proposed to build a new institution a few miles out of Colombo, with accommodation for 1,000 patients, and for the necessary staff, officers, and servants. The number of patients treated in the asylum during 1914 was 1,068 (685 males and 383 females). The number discharged was 166 (males 128 and females 38), and the number of deaths was 76 (males 42 and females 34). In the House of Observation 297 persons were treated, of whom 276 were discharged or admitted to the Asylum, 5 cases died, and 16 remained at the end of the period.

The Leper Asylum is situated 6 miles from Colombo; it contained 426 patients at the end of the period. The total treated during 1914 numbered 557. A small establishment for lepers exists at Kalmunai, in the Eastern Province, and has accommodation for 30; it is proposed to establish a leper colony at Mantivu in the same Province.

A Home for Incurables (containing 80 beds) is administered by a Committee of Government officials and representatives of the public.

## IX.—CRIME.

### POLICE.

The authorized strength of the Police on December 31, 1914, was 1 Inspector-General, 8 Superintendents, 15 Assistant Superintendents, 35 Inspectors, 84 Sub-Inspectors, 20 Station House Officers, 290 Sergeants, 2,127 Constables.

In addition, the strength of the European Police was 1 Inspector, 2 Sub-Inspectors, 7 2nd Class Sergeants, 21 3rd Class Sergeants.

The cost of the Force was Rs. 1,578,500 approximately.

### CRIME STATISTICS.

The following table shows the more important forms of serious crime in the year under review and in the previous year :—

	1913.	1914.
Murder .. .. .	172	209
Grievous hurt .. .. .	593	613
Causing hurt by dangerous weapons .. .. .	1,002	1,218
Burglary .. .. .	1,203	1,609
Theft of cattle and prædial produce .. .. .	666	796

More than half the murders committed were stabbing cases, and a large majority followed on sudden and unpremeditated quarrels. In all but 16 out of 209 cases the offenders were traced. In 11 cases the accused died or proved to be insane, and in 113 cases the accused were convicted. It can be claimed, therefore, that the number of murders in which the offender was undetected is small in proportion to the number committed.

It will be seen that there was an increase in the number of cases of crime committed in the year under review as compared with the previous year. Examination of the criminal returns shows that this increase occurred entirely in the second half of the year. In an ordinary year the majority of the cases of crime occur in the first rather than in the second half of the year. This has always been attributed to the fact that the Sinhalese New Year, invariably an occasion for an outbreak of crime against property, falls within the first half of the year. However, in 1914 far the greater proportion of cases occurred in the last six months of the year.

The unusual increase in crime between July and December may be attributed to the war. Following on the outbreak of war in August, although there were



no cases of complete destitution, there was an undoubted increase in the cost of luxuries and certain articles in common use. Moreover, the closing of plumbago pits, the more economical working of factories, mills, and estates with smaller labour forces, added to the number of persons not regularly employed. In one Province, in which there had been a great increase in crime in the months of September, October, and November, a noticeable decrease in burglary coincided with the re-employment of labour early in December, when conditions became more favourable.

There were no cases of riot, looting, or serious disorder. Throughout the Colony order was maintained, and the crime which occurred is not out of proportion to the returns of previous years in view of the exceptional conditions prevailing during the war.

#### PRISONS.

There was an increase of 918 in the total number of admissions of convicted prisoners of Ceylon during the year 1914: 1913, 9,303; 1914, 10,221.

The convictions for murder and manslaughter were 113, as against 92 in 1913. Fifty-four criminals were sentenced to be hanged, and in 41 cases the sentence was carried out. Of these, 35 were Sinhalese, 5 Tamils, and 1 Moor. Eleven convicts were deported to the Andamans for life.

There were 5 escapes during the year and 6 recaptures, inclusive of 1 prisoner who escaped prior to January, 1914.

The total number of deaths in jail was 75, as against 105 in 1913 and 167 in 1912—a marked improvement. The death-rate per 1,000 of the prisons population was 4·38, as against 6·77 in 1913 and 10·32 in 1912. The daily average sick was 80·51, as against 92·93 in 1913 and 115·09 in 1912.

The portable prison at Mankulam was closed in July and has been moved to Mahara, where it will be erected, thus affording additional accommodation for prisoners to be employed for the Harbour Works and Government Factory.

### X.—VITAL STATISTICS.

#### POPULATION.

The estimated population of Ceylon on December 31, 1914, was about 4,260,700, a decrease of nearly 1,400 on that of the previous year. The decrease was due to an excess of about 26,700 departures over arrivals of Indian coolies, a number which exceeded the natural increase by births over deaths.

The population comprised the various nationalities shown below :—

Nationality.	Number.	Percentage of Total Population.
Sinhalese .. .. .	2,798,800 ..	65·7
Tamils (indigenous) .. .. .	613,500 ..	14·4
Tamils (immigrants and their descendants) .. .. .	512,800 ..	12·0
Moors .. .. .	269,800 ..	6·3
Burghers .. .. .	27,700 ..	·7
Malays .. .. .	13,400 ..	·3
Europeans .. .. .	7,800 ..	·2
Others .. .. .	16,900 ..	·4

There is an excess of males over females in the population, viz., 113 males to 100 females, as contrasted with England and Wales, where the proportion is 94 males to 100 females.

#### BIRTHS.

The birth-rate in Ceylon for 1914 was 38·1 per mille, and was slightly above the average (37·5) for the previous decade, but below the rate in the preceding year (38·6). The proportion of births to population in Ceylon is similar to that

prevailing in other tropical countries, but considerably higher than the rate (about 26) in England and Wales. It has shown no marked tendency in the last sixteen years either to rise or to fall. There were 104 male to every 100 female births, the same as the English rate.

### DEATHS.

The death-rate for the whole Island was 32·2, and was higher than the average (30·2) for the previous decade and the rate (28·4) in the preceding year. Since 1898, when improved registration began, the death-rate, with slight fluctuations, has had a tendency to rise. The average death-rate of Ceylon is generally much lower than that prevailing in the Straits Settlements; it is almost identical with the rates which obtain in Bombay Presidency, Bengal, and British Guiana; but the mortality exceeds that of Madras and Jamaica, whilst it is more than double the average annual mortality in England and Wales, and almost three times the rate in the Australian Commonwealth and New Zealand.

The tea, rubber, and cocoa estates at the end of the year 1914 contained a population of about 579,300, mostly of Tamil immigrants from Southern India. The estate death-rate rose to 42·85 per mille from an average of 33·2, and was as high as 79·2 and 74·5 in Ratnapura and Kurunegala estates respectively.

The urban death-rate was 30·5 per mille, as against an average of 29·3 for the preceding five years. The rate rose from 8·9 in Nuwara Eliya town to 64·8 in Anuradhapura and 64·4 in Mullaittivu. But the mortality rate of Nuwara Eliya is calculated, not on the average population of the town, which is not known, but on the population estimated on a census taken at the height of the Nuwara Eliya season, and this recorded rate is obviously flattering to the sanatorium of Ceylon. Excluding Nuwara Eliya, the healthiest town, as in the previous year, was Kegalla, with a death-rate of 16·1.

### *Infantile Mortality.*

The infantile mortality was 213 per 1,000 registered births compared with an average of 191 and an average rate in England and Wales of 121 to 1,000 births registered. In the last sixteen years the infantile mortality has shown a tendency to rise.

The estate infantile mortality was 246 per 1,000, as in the previous year, and the urban rate was 255, as against 246 in the previous year.

### *Causes of Death.*

The proportion of deaths in the general community from certain principal causes to a million of the population was as follows:—Diarrhoea, 3,511; infantile convulsions, 3,438; bronchitis and pneumonia, 1,262; dysentery, 1,112; phthisis, 994, and other forms of tuberculosis, 101; malaria and malarial cachexia, 645; anchylostomiasis, 620; premature birth and congenital defects, 365; cancer, 99; enteric fever, 70; smallpox, 24; and cholera, 11.

The total number of deaths from plague registered in the Island during the year was 401, of which 378 were within the Municipal limits of Colombo and 23 elsewhere. This number corresponded to a rate of 94 per million persons living in the Island.

Accidental drowning accounted for 101 deaths per million, falls from trees for 86, and snake-bite for 56.

209 deaths (including 2 of Europeans) resulted from suicide, and corresponded to a rate of 49 per million persons living. The rate in England and Wales in 1912 was 98 per million.

Homicide also accounted for 209 deaths, corresponding to a rate of 49 per million—more than five times the rate prevailing in England and Wales.

## CLIMATE.

*Rainfall.*—The highest annual rainfall registered was at St. Martin's estate, Rangalla, which had a total of 178·93 inches and 174 days on which rain fell. The lowest annual rainfall was at Mankulam, which had a total of less than half its average, i.e., 26·01 inches in 90 days. The stations with the highest and lowest average annual rainfall are, respectively, Padupola with 220·73 inches in 202 days, and Marichchikaddi with 33·06 inches in 57 days. The longest drought occurred at Mantota, lasting for 143 days, May 9 to September 28. The longest wet period occurred at Duckwari estate, Rangalla, lasting for 62 days, May 27 to July 27.

The annual rainfall at Colombo (Cinnamon Gardens) was 74·26 inches in 181 days. At Kandy 78·90 inches were registered in 197 days, while the annual rainfall at Nuwara Eliya was 83·95 inches in 220 days. On the whole, the annual rainfall was above normal in the north and east, and slightly below it elsewhere.

*Temperature.*—The highest average for the year was Trincomalee 83·8° F., and the lowest Nuwara Eliya 60·4° F. At Colombo and Kandy the averages were 81·1° F. and 76·7° F. respectively.

The highest shade temperature recorded during the year was 101·2° F. at Anuradhapura on September 17. The highest on record is 103·7° F. at Trincomalee on May 12, 1890. The highest shade temperature at Colombo in 1914 was 93·1° F. on February 10.

The mean daily range, i.e., difference between the average maximum and average minimum, was highest at Nuwara Eliya (19·1° F.), and lowest at Galle (9·4° F.). At Colombo and Kandy it was 12·8° F. and 14·2° F. respectively. The absolute range, i.e., difference between actual highest and lowest readings, for the year was maximum at Nuwara Eliya (51·2° F.), and minimum at Galle (21·1° F.).

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XI.—POSTAL SERVICE.

Five new post offices and 3 new receiving offices were opened during 1914. The total number of post offices now is 500, of which 168 are also telegraph offices.

The number of articles, exclusive of parcels, which passed through the post in 1914 is estimated at 49 millions, as against 46 millions in 1913. The number of parcels dealt with was 705,659, an increase of 28,085 over the previous year. Of these, 10,313 were despatched to the United Kingdom and 24,885 received from the United Kingdom.

The increase in telegrams is shown by the following figures :—

	1913.	1914.
Inland .. .. .	916,578	1,028,846
Indian .. .. .	227,830	236,613
Other countries .. .. .	101,803	114,736

The increase is not so large as it would have been in normal circumstances, the war causing a considerable falling off in telegrams in the closing months of the year.

*Postal Improvements.*—On the opening of the Indo-Ceylon Railway from March 1 the letter mails for India were despatched by this route, and advantage taken of the night service for the despatch of mails for the Northern and North-Central Provinces. A railway travelling post office for sorting correspondence to and from India and to expedite the disposal of the northern mails is attached

to the Indo-Ceylon train between Colombo and Anuradhapura. The British India steamer daily service between Colombo and Tuticorin was suspended in August, and all mails are now despatched by the inland route.

Motor mail services replaced the existing horse and coach services on Matara-Deniyaya (52 miles) and Matale-Dambulla (29 miles) lines.

The inland rules relating to registered newspapers were extended to include newspapers and periodicals registered in the United Kingdom or British Colonies and re-posted in Ceylon for inland delivery.

In September the British Post Office notified the total suspension of postal relations with Germany, the German Colonies, and Austria-Hungary, and letters, parcels, &c., for these countries were not accepted for onward transmission. Special arrangements were subsequently made by the British Post Office for the interchange of correspondence of prisoners of war.

*Telegrams.*—In May a reduction was made in the rates for telegrams to Europe, West Africa *via* Europe, and America; and a scheme for week-end telegrams at reduced rates providing for the transmission of telegrams on Saturday night to be delivered at destination on Tuesday morning was introduced between Ceylon and the United Kingdom, Germany, South and Central Africa. This service was subsequently extended to Australia and New Zealand.

Since the outbreak of the war the service of week-end telegrams has been temporarily suspended.

A Baudot duplex system of telegraph working between Colombo and Madras was successfully inaugurated by an expert lent by the British Post Office.

*Telephones.*—Government telephone exchanges were opened at Peradeniya and Matara, bringing the total of Government exchanges up to nine.

Increased use of the telephone system has been made for transmitting telegrams.

The number of subscribers to the Colombo exchange rose from 992 to 1,215, and the total number of telephones maintained from 1,803 to 2,172.

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## XII.—PUBLIC WORKS.

### PUBLIC WORKS DEPARTMENT.

The total expenditure of the Public Works Department has increased from Rs. 3,437,862 in 1896 to Rs. 14,667,967 in 1914, the latter figure showing an increase of Rs. 6,451,624 over 1913. The average annual expenditure during the past nineteen years is Rs. 5,709,655.

The total length of roads maintained by the Public Works Department during the year was 3,946 miles, of which 3,646 miles are cart roads and 300 miles are bridle roads.

Among the more important works completed or in course of construction may be mentioned the following :—Office for the Master Attendant, Colombo; warehouses on old coaling grounds; Colombo Customs quay wall and jetties; bungalows for Government officers stationed in Colombo; residence for Colonial Secretary, Nuwara Eliya; Government and Police buildings, Talaimannar; and the Leper Asylum, Eastern Province.

Progress was also made with the Colombo Lake Development Scheme.

The necessity for retrenchment in consequence of the war led to the postponement in the latter part of the year of a number of projected works.

## IRRIGATION.

The total expenditure of the Irrigation Department for the fifteen months of the financial period was Rs. 1,119,380.

Work during the year was continued on Karachchi, Unnichchai, Pattipolai-aar, Kirinde-oya right bank, and Tabbowa schemes. The Nachchaduwa scheme was completed.

A large amount of survey work under the Pattipolai-aar work was done, and 1,000 acres blocked out for sale under Karachchi scheme.

The area irrigated and paying rate under the Crown works is 123,060 acres : in addition, there is a large area irrigated free. A considerable area of irrigable land is ready for development.

## GOVERNMENT RAILWAY.

*Open Line.*

The total length of line open for traffic on September 30, 1914, was 672 miles, the increase being due to the opening of the new line to Talaimannar on March 1, 1914.

The revenue derived amounts to Rs. 16,535,291, or an increase of Rs. 781,721 as compared with the previous financial year.

In passenger traffic 1,074,131 passengers and in goods traffic 14,999 tons were conveyed in excess of last year. The principal increases in goods traffic are rubber 5,824 tons, coconut produce 4, 873 tons, tea and rubber packing 2,829 tons, liquid fuel 1,530 tons, and other goods 4,976 tons.

The working expenses for the year amount to Rs. 9,616,780, including a sum of Rs. 511,831 expended on maintenance works.

The result of the year's working is as follows :—

				Rs.
Receipts	..	..	..	16,535,291
Working expenses	..	..	..	9,616,780
Balance	..	..	..	6,918,511

Of this balance, a sum of Rs. 1,913,985 was expended on additional accommodation and improvements. A further sum of Rs. 2,868,568 was also spent on new works and rolling stock, 34 engines and 67 passenger and goods vehicles being put into traffic on the broad and narrow gauge lines during the year.

The capital cost, including additional accommodation and improvements to September 30, 1914, amounts to Rs. 118,963,006, and capital outstanding on Railway loans Rs. 56,336,656.

*Railway Extensions.*

In addition to the completion of the Talaimannar line, to which reference has already been made, steady progress was made during the year with the extensions to Chilaw, Pelmadulla, and Badulla, and the Colombo Stations Extension, and with the duplication of the line from Ragama to Bambukkana.

## COLOMBO DRAINAGE WORKS.

The drainage of Colombo has been undertaken by Government at the request of the Municipal Council, the necessary funds being advanced by Government on loan, while further assistance is being given by the contribution of a part of the expenditure as a free grant.

The scheme provides for a complete system of sewers and rain-water drains throughout the city, and for the disposal of the sewage by bacterial treatment upon modern lines.

At the end of 1914 111 miles of sewers and rain-water drains had been laid, and 4 pumping stations brought into regular operation.

The City Sanitation Engineer's report for December showed that 24 public water-carriage latrines had been constructed and put into use, and that 816 other premises had been drained.

### XIII.—COLOMBO PORT COMMISSION.

During the year 1914 the organization of the new Port Department was completed. Practically the whole of the maintenance work in connection with the harbour has been transferred from other departments and is now in the hands of the Port Department.

Considerable progress was made with the sanctioned Port Improvement Works. In the Harbour Works area (between the Patent Slip and the Block Loading Jetty) 714 feet of new quay walling was completed, and paved yard with an area of 9,200 sq. ft. is now available. The Public Works Department has made further progress with the new Customs warehouses on the old coaling grounds, and six warehouses and a covered roadway of a total area of 52,650 sq. ft., with the necessary quay wall and jetties, have been practically completed. The work on the eastern portion of the old coaling grounds has been somewhat retarded, owing to the erection of temporary sheds for the storage of rice in connection with measures taken on the outbreak of plague in the city of Colombo in January. The extension of the export warehouses in the old Customs premises west of the passenger jetty was completed in May. Further progress has also been made with the scheme for connecting the Colombo lake with the harbour by means of a canal and locks. Owing to the reduction of expenditure consequent on the war the prosecution of the less important works was postponed during the latter portion of the year.

The Port Commission has had under consideration the question of the provision of complete facilities for the discharge, bunkering, and storage of liquid fuel and other petroleum products at Colombo, and expert advice on the subject is being obtained from England.

The "Sir John Coode" was engaged during the year in deepening the harbour to a depth of 33 feet. The new dredger "Sir William Matthews," the cost of which is £72,250, arrived at Colombo in August, and a certificate of delivery of the vessel, which is capable of dredging to a depth of 45 feet, was given to the contractors in October. The port is now fully equipped to keep pace with the dredging work being carried on in the Suez Canal for the passage of vessels of greater draught.

The protection of the sea face of the South-west Breakwater by the deposit of a wave breaker of 30-ton blocks on the outer side of the structure was completed in March.

The tonnage of vessels visiting Colombo harbour in 1914 amounted to 1,657,199. The receipts from the Graving Dock were Rs. 30,195·11, and from the Patent Slip Rs. 16,508.

The expenditure on Harbour Works (apart from those being carried out by the Public Works Department) during 1914 amounted to Rs. 2,047,492·01; the total expenditure since the commencement of the South-west Breakwater in 1873, including maintenance charges, is therefore Rs. 47,252,032·01. The sum expended by the Public Works Department in the construction of new warehouse and wharf accommodation during the year was Rs. 895,199·53, the total expenditure for the year thus amounting to Rs. 2,942,691·54.

## XIV.—EXCISE.

The year under review started with an increased staff, and there has been marked progress in the operations of the Department, particularly in the direction of detection and suppression of illicit practices and regulation and supervision of licensed places.

No change of any striking nature was introduced during the year, and the policy inaugurated in the previous year was pursued. The only change in the Legislature dealing with Excise was the passing of Ordinance No. 25 of 1914 to amend the principal Ordinance No. 8 of 1912.

The chief amendment was the inclusion of "cocaine" in the sections relating to bhang, ganja, &c., in the principal Ordinance. Soon after the passing of the Ordinance some notifications regulating the importation, possession, and sale of cocaine were published.

In December, 1914, the rate of Customs duty leviable under Ordinance No. 5 of 1914 on all foreign spirits imported into Ceylon was raised from Rs. 7 per proof gallon with a minimum of Rs. 6 (Rs. 8 for unenumerated spirits) to Rs. 9·37 per proof gallon with a minimum of Rs. 8.

As experience was acquired the general conditions applicable to all Excise licenses and the sale conditions of arrack and toddy rents were duly revised, with slight alterations in minor details, for the financial year October, 1914, to September, 1915.

The arrack and toddy rents for the same period were sold in May and June, and satisfactory prices were secured, resulting in an aggregate increase of Rs. 1,806,733 over the figures for the previous financial year in terms of twelve months. Thus, the increase in the arrack rents was 24·55 and that in the toddy rents was 46·9 per cent. over the preceding period.

The fees on those foreign liquor licenses which are assessed on a system of gallonage or business done were substantially increased in all the districts of the Island with due regard to the extent of business done, as calculated on the statistics carefully collected and checked by the Department. The revenue from this source for the financial year 1914-15 shows a marked increase of 29 per cent. over the revenue for the previous financial year in terms of twelve months, and of 93 per cent. over the revenue derived in 1911-12 before the present Ordinance was introduced.

The experimental distillery was worked from May 1 to December 31, and information was collected in regard to distillation, fermentation, cost, and other material points.

There were 256 private distilleries licensed during 1914. The rules which were passed and published in May, 1913, were enforced as far as practicable, with the result that much improvement is noticeable in the condition and working of the distilleries.

Considerable energy was exercised by the subordinate officers of the Department in the detection and suppression of illicit practices. Some 2,249 cases of offences against the Excise law were decided in the courts during 1914, resulting in fines amounting to Rs. 144,950, exclusive of other punishments, such as imprisonment, &c., and those settled departmentally by way of composition fees. The fines imposed by courts in 1913 were Rs. 62,603·75.

A departmental Excise Manual, containing the Excise law and the regulations made thereunder, with references to the leading cases on the subject, departmental instructions for the guidance of officers, &c., was printed and published during the year.

March 29, 1915.

M. A. YOUNG,  
Third Assistant Colonial Secretary.





## COLONIAL REPORTS, &c.

The following recent reports, &c., relating to His Majesty's Colonial Possessions have been issued, and may be obtained from the sources indicated on the title page:—

### ANNUAL.

No.	Colony, &c.	Year.
818	Malta .. .. .	1913-1914
819	Trinidad and Tobago .. .. .	"
820	Jamaica .. .. .	"
821	Northern Nigeria.. .. .	1913
822	Grenada .. .. .	"
823	Zanzibar .. .. .	"
824	Barbados .. .. .	1913-1914
825	Southern Nigeria .. .. .	1913
826	Mauritius .. .. .	"
827	British Honduras .. .. .	"
828	Colonial Survey Committee .. .. .	1913-1914
829	Tongan Islands Protectorate .. .. .	"
830	Swaziland .. .. .	"
831	Uganda .. .. .	"
832	Nyasaland .. .. .	"
833	British Guiana .. .. .	"
834	Imperial Bureau of Entomology .. .. .	1914
835	St. Vincent .. .. .	1913-1914
836	St. Lucia .. .. .	"
837	Somaliland .. .. .	"
838	Straits Settlements .. .. .	1913
839	Cayman Islands .. .. .	1913-1914
840	East Africa Protectorate .. .. .	"
841	Leeward Islands .. .. .	"
842	Gilbert and Ellice Islands .. .. .	"
843	Zanzibar .. .. .	1914
844	Turks and Caicos Islands .. .. .	"
845	Weihaiwei.. .. .	"
846	Seychelles.. .. .	"
847	St. Helena .. .. .	"
848	Fiji .. .. .	"
849	Bahamas .. .. .	1914-1915
850	Gibraltar .. .. .	1914
851	Sierra Leone .. .. .	"
852	Grenada .. .. .	1914-1915
853	Bermuda .. .. .	1914
854	Malta .. .. .	1914-1915

### MISCELLANEOUS.

No.	Colony, &c.	Subject.
79	Northern Nigeria .. .. .	Mineral Survey, 1907-8 and 1908-9.
80	Nyasaland .. .. .	Mineral Survey, 1908-9.
81	Southern Nigeria .. .. .	Mineral Survey, 1908-9.
82	Imperial Institute .. .. .	Rubber and Gutta-percha.
83	Southern Nigeria .. .. .	Mineral Survey, 1910.
84	West Indies .. .. .	Preservation of Ancient Monuments, &c.
85	Southern Nigeria .. .. .	Mineral Survey, 1911.
86	Southern Nigeria .. .. .	Mineral Survey, 1912.
87	Ceylon .. .. .	Mineral Survey.
88	Imperial Institute .. .. .	Oilseeds, Oils, &c.
89	Southern Nigeria .. .. .	Mineral Survey, 1913.
90	St. Vincent .. .. .	Roads and Land Settlement.

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COLONIAL REPORTS—ANNUAL.

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No. 904.

CEYLON.

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REPORT FOR 1915.

(For Report for 1914 see No. 855.)

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Presented to both Houses of Parliament by Command of His Majesty.  
*October, 1916.*

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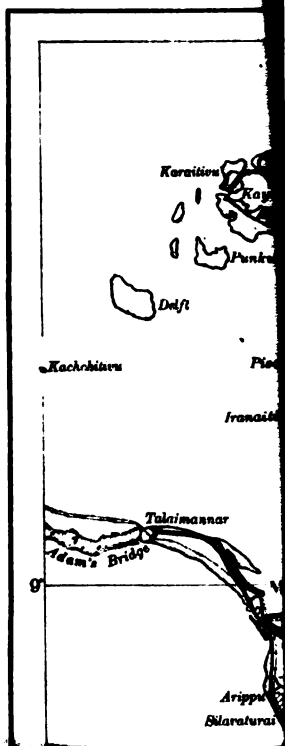


## CONTENTS.

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Map of Ceylon,					PAGE
I.—General	..	..	..	..	1
II.—Financial	..	..	..	..	4
III.—Agriculture and Industries	..	..	..	..	5
IV.—Trade	..	..	..	..	9
V.—Shipping	..	..	..	..	16
VI.—Legislation	..	..	..	..	18
VII.—Education	..	..	..	..	18
VIII.—Government Institutions	..	..	..	..	20
IX.—Crime	..	..	..	..	21
X.—Vital Statistics	..	..	..	..	24
XI.—Postal Service	..	..	..	..	28
XII.—Public Works	..	..	..	..	29
XIII.—Excise	..	..	..	..	31







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## REPORT ON THE CEYLON BLUE BOOK FOR 1915.

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### I.—GENERAL.

THE Colony was administered by Sir Robert Chalmers, K.C.B., until December 4, when he left to resume duties at the Treasury. After this date Mr. R. E. Stubbs, C.M.G., became Officer Administering the Government.

Sir Allan Perry, Principal Civil Medical Officer, and Mr. R. S. Templeton, Surveyor-General, retired from the Public Service during the year.

Mr. J. Thomson Broom and Mr. A. Wood Renton, Chief Justice, received the honour of Knighthood, and the Companionship of the Most Distinguished Order of St. Michael and St. George was conferred on Mr. F. Bowes, Principal Collector of Customs.

The deaths of the following are recorded with regret :—Mr. A. Rutherford, Entomologist; Captain A. N. Galbraith, of the Ceylon Civil Service (while serving with the Ceylon Contingent in Egypt); Mr. J. van Langenberg, K.C., Solicitor-General; Mr. R. A. Brohier, retired Assistant Auditor-General; Mr. J. C. W. Pereira, K.C., Senior Puisne Justice; Sir Hector van Cuylenberg, Burgher Member of the Legislative Council; Sir William Mitchell, for many years formerly a Member of the same Council; and Mr. James Conroy, of the Ceylon Civil Service (while on leave in England).

On March 1 occurred the centenary of British rule over the whole of Ceylon. Sir Robert Chalmers presented a *pintaliya*, or drinking fountain, to the people of Kandy in commemoration of the occasion.

The general condition of the Island has been prosperous in 1915. In most parts of the country the people have been only slightly, or not at all, affected by the war. The food supply has been plentiful, and prices show only a moderate increase over those prevailing before the outbreak of war. Imported luxuries and frozen meat have, however, risen considerably in price. As the stocks of goods of continental manufacture have been exhausted, there has been a scarcity in the bazaars of articles of common use, such as lamps, lamp chimneys, glassware, crockery, &c., and the cost of such things has increased. Importations from Japan are said to be taking to some extent the place of articles formerly made in Germany, Belgium, Austria, and other countries in Europe.

There has been no distress, and the conditions of living have been quite normal in Ceylon. In the early months of the war suits for the realization of securities and the recovery of rents were on the increase, but lately nothing has been heard of such cases. A decrease in the rates of wages of labourers has been noticed, due to the lack of employment in certain occupations, and the suspension of public works and private enterprises. Minor industries have naturally suffered, but the statistics of the exports of the Colony show, in spite of difficulties of freight, a successful year as regards the staple products of the Island.

Owing to the fall in the revenue of the Colony, it was found necessary to continue the reduction of public expenditure as far as possible. The list of public works completed shows that without undertaking any new works, except the most urgent, the Colony has been able to finish a number of much-needed buildings, &c., which had been begun or sanctioned in previous years. In such cases cessation of operations would involve considerable damage to materials and a loss of labour forces. Progress has been made with the railway extensions to Chilaw and Opanake, and with the harbour and lake schemes and the drainage works in Colombo.

Unfavourable reports concerning the state of the people have been received only from the districts of Galle and Matara. About the former district, it is stated, "the depression in trade in consequence of the war, damages caused by floods, sickness, abnormal rise in the price of food stuffs, and the riots in June, all contributed to make the lot of the villager less favourable than usual." And as regards Matara District, a report says, "the district was, on the whole, not in a prosperous condition. The war was responsible for this partly, but the riots of June upset all trade, employment, &c. To add to all these troubles, severe floods were again experienced in 1915."

The general health of the population has been good, and no disease broke out in epidemic form. A separate account of plague in Colombo is given in a later section, and shows a decrease in the number of cases as compared with those of 1914, the first year in which the infection appeared in the Island.

The Anti-Tuberculosis Institute was completed and handed over to the Medical Department, but it has not been possible to open it yet, for want of a trained medical officer to take charge of the anti-tuberculosis campaign.

The International Health Commission of America (Rockefeller Foundation) has started a campaign against anchylostomiasis, the Ceylon Government bearing half the expenditure and the Estate Agents' Association the other half. Dr. Snodgrass arrived in December, being followed by Dr. Howard, and work has begun among the inhabitants of estates and villages in the Matale District.

A Commission was engaged in the year in investigating the condition of labourers on estates in the planting districts of the Province of Sabaragamuwa. It has since made its report, and the conclusion of the Commissioners on the general condition of labourers is, "We consider the condition of the Indian cooly far better than it is in India, where he is left more or less to himself. Certainly no other community in Ceylon receives the same amount of individual attention and care from his employer. We have no hesitation in stating that the condition of coolies employed on estates in this Province gives no cause for complaint." The Commission has made various suggestions for improving the sanitary conditions of lines, and increasing the attention paid to cases of ill-health among coolies.

No Volunteer Camp was held during the year, owing to the war. The Force has maintained its efficiency. The strength of the Planters' Rifle Corps is slightly lower than in 1914. Most of the Volunteers belonging to the Planters' Rifle Corps, the Ceylon Mounted Rifles, the Ceylon Light Infantry, and the Colombo Town Guard were called out to help in suppressing the riots in June. The Ceylon Artillery Volunteers, the Town Guard Artillery, and the Ceylon Engineer Volunteers assisted in manning the defences of Colombo, the last-named Corps being employed on the searchlights in the vicinity of the harbour.

The war was brought home to the inhabitants of the Island by the sinking of the "Ville de la Ciotat," which left Colombo on December 9, having on board 49 Ceylonese going to the United Kingdom to enlist. The steamer was sunk by a torpedo in the Mediterranean on December 24, and 14 of the Volunteers were reported missing.

The German prisoners of war, who had been interned at Diyatalawa, were removed from Ceylon in the course of the year, the last batch in November. The women decided to go to Australia with the male members of their families in preference to being sent elsewhere. One German lady was repatriated in the steamer "Golconda," which was employed by the Indian Government to convey persons of enemy nationality to Europe for repatriation. There are now no German prisoners of war in Ceylon, and steps are being taken to wind up the businesses of the former German residents.

The Prize Court continued its sittings, but there were no new ships to be dealt with, and the work of the court was confined to the settlements of claims arising out of the seven ships originally seized. There was one case under the Trading with the Enemy Ordinance, in which the manager of an Indian firm

in Ceylon was fined £500. Prize Court proceedings have been instituted against the goods as enemy goods brought into the harbour during the war.

In November a law was passed enabling the Colony to make a contribution of a million pounds sterling in ten annual instalments to the mother country towards the cost of the present war. New export duties on the products of Ceylon tea, rubber, cacao, coconuts, copra, and coconut oil were imposed to help in raising the annual contribution, as well as to provide funds for carrying on to their completion existing loan works and other urgent requirements of the Colony.

A one day's pay fund from Government servants was initiated, and the sums collected in the first three months were Rs. 5,394, Rs. 20,682, and Rs. 21,627, respectively. The contributions are purely voluntary. The amount collected is divided by the Committee amongst various war funds in the allied countries and in Ceylon.

In view of the number of Australian troops passing through Colombo an allowance of Rs. 500 a month to supplement other funds and private efforts was granted by Government towards the end of the year for their entertainment. It has since been raised to Rs. 1,000 a month, and its scope extended to soldiers and sailors of allied nations.

The most remarkable event of the year, and the most deplorable, took place on the last days of May and the first days of June, when Sinhalese rioters attacked the Moorish traders throughout the greater part of the Central, North-Western, Sabaragamuwa, Western, and Southern Provinces, plundered their possessions, and destroyed many of their shops and mosques.

The following is an estimate of the loss of property and of the number of persons injured :—

(1) Injury to property caused by rioters :—

Moor boutiques looted	..	4,075
Moor boutiques and houses burnt	..	350
Moor mosques burnt	..	17
Moor mosques otherwise damaged	..	86
Total value of damage as provisionally assessed..		Rs. 5,527,745·35

(2) Injury to persons caused by rioters :—

Moors murdered	..	25
Moors wounded	..	189
Moor women raped (ascertained cases)	..	4

Martial law was proclaimed in the Sinhalese Provinces, and steps were taken to punish offenders and to assess the damage by the appointment of Special Commissioners. Pending the recovery of compensation from the inhabitants of areas in which the damage was committed, money has been advanced by Government for the payment of claims, and as much as possible has been done to make reparation to the sufferers.

The wide-spread nature of the disturbances had the effect of stopping business for the month of June to a great extent, and a fall in the revenue for that month was experienced. Besides this, rebates had to be allowed to the holders of excise rents owing to the closing of taverns during June. The destruction of food stuffs and boutique goods, which took place all over the affected Provinces, tended to raise the prices of the small stock in the hands of others (the Moormen having practically a monopoly of petty trade), and the closing of many shops and restrictions on traffic and trade operated in the same direction.

The riots, however, appear to have left little permanent effect. Prices, so far as they were raised by the riots, have resumed their normal rates, the damage done has been repaired, and the majority of the Moorish traders have resumed their business.

The cause of the riots is attributed to the ebullition of religious and racial feelings and trade jealousy, which had been felt by the Sinhalese towards the Moormen for several years, and which were inflamed by a local dispute and litigation regarding a procession at Gampola.

A Commission was appointed to inquire into the organization of the police, and to advise what measures are required for strengthening or otherwise re-organizing the force, regard being had in particular to the experience which has accrued respecting the conduct of the police in connection with the recent riots in the Island.

## II.—FINANCIAL.

### REVENUE.

The revenue collected during the period October, 1914, to September, 1915, amounted to Rs. 51,545,472, a decrease of Rs. 6,134,527 on the estimate.

The fall in the revenue is mainly attributable to the war. The principal sources which contributed to the decrease are the Customs, Harbour Dues, Railway, and Excise.

### EXPENDITURE.

The expenditure for 1914–15 was estimated at Rs. 66,555,207, but on the outbreak of war a fall in the revenue was anticipated, and a policy of retrenchment was accordingly embarked upon. The estimates of expenditure were revised, and reduced from Rs. 66,555,207 to Rs. 48,287,484. It was, however, found possible, owing to the revenue exceeding expectations, to allot further sums to various departments from time to time. The amount (excluding expenditure chargeable to Loan Funds) actually spent during the year was Rs. 50,148,001, which includes Rs. 1,364,156 for war services and expenses of the Ceylon Volunteer Contingent. Apart from ordinary expenditure, a sum of Rs. 3,430,014 was spent on Extraordinary Public Works chargeable to Loan Funds.

### ASSETS AND LIABILITIES.

The assets of the Colony on September 30, 1915, were Rs. 39,974,826, and the liabilities Rs. 15,347,370. The assets consist largely of advances to local bodies, and in particular to the Municipality of Colombo, the principal item among the liabilities being the Widows' and Orphans' Pension Fund.

### PUBLIC DEBT.

At the close of the financial period the public debt of the Colony stood at £5,805,687, or approximately one and two-third times the annual revenue.

Of the loan of £3,436,854 authorized by Ordinance No. 6 of 1909 to meet the cost of the Colombo Harbour and Drainage Works, the Mannar Railway, and other public works, a sum of £1,500,000 was raised at 98½ in 1909–10, bearing interest at 3½ per cent., and a further sum of £1,000,000 was floated in 1914 at 99, bearing interest at 4 per cent. A balance (£65,906) of the latter loan has been carried forward to meet expenditure in 1915–16.

### CURRENCY.

On September 30, 1915, the value of currency notes in circulation was Rs. 27,325,500, and the currency reserve on that date consisted of Rs. 3,525,000 in gold, Rs. 8,639,200 in silver, and Rs. 15,161,300 in British, Colonial, and Indian investments.

## III.—AGRICULTURE AND INDUSTRIES.

## AGRICULTURE.

In purely native agriculture more or less normal conditions prevailed, the paddy crop being an average one; but owing to an increase in the number of unemployed, steps had to be taken to prevent a shortage in the local food supply. The Agricultural Society provided the necessary funds for encouraging the cultivation of quick-growing food crops, and in co-operation with the officers of the Department of Agriculture carried on a campaign in the villages, instituting inquiries and distributing seeds of vegetables and of short-lived cereals (such as sorghum), as well as cuttings of tuberous plants (sweet potatoes, &c.), which helped appreciably to increase the output of edible products and to provide against any possibility of scarcity in the villages.

*School of Tropical Agriculture.*—During the year 1915 plans were completed for the opening of a School of Tropical Agriculture, which is now in full working order, with 60 English-speaking students and 7 vernacular. Over 30 applications have had to be refused for admission at present. The school is attached to the Royal Botanic Gardens and the Experiment Station, wherein practical demonstrations take place daily.

*Tea Industry.*—The area planted in tea is approximately 392,500 acres, and ranges from the tropical climate at sea level to the semi-tropical or temperate climate at 7,000 feet elevation. It is almost entirely in the hands of Europeans, the estates being managed by European managers with Tamil labour imported from Southern India.

These estates vary in size from 100 or 200 acres to about 2,500 acres, the average being about 400 acres, yielding an average outturn for Ceylon of 483 lb. of made tea per acre. Well-cultivated estates yield more heavily, an average of 600 to 800 lb. being frequent.

The year 1915 was exceptionally favourable climatically for tea, there being a complete absence of extreme cold in higher districts, and a uniformly good distribution of rain in every month of the year. This was especially marked in the Province of Uva, where the usual drought was not experienced. The crop was, therefore, a record one from most estates, and the high prices ruling afforded unusually good profits.

A considerable area of tea has been cut out from under rubber, but other areas, chiefly on patana soil, are being gradually opened.

The shot-hole borer pest is under investigation by a Government specialist.

The average prices are as follows:—

1913	..	..	..	45·84 cents per lb.
1914	..	..	..	46·35 cents per lb.
1915	..	..	..	56·79 cents per lb.

*Cacao.*—The cacao growing area ranges from 500 to 1,800 feet above sea level, and is chiefly in the Kandy and Matale Districts. There are approximately 22,000 acres under cacao, mostly in the hands of European planters, but there is also a fair acreage in native gardens, where it is grown in a very neglected state. Very few new plantations are being opened, as there remains little suitable available land.

Pod fungus and bark canker, the two most serious diseases of cacao in Ceylon, are still very prevalent during wet seasons.

The crop has been fairly maintained, and owing to the sunny weather prevailing during the main cropping season of October and November the beans have been sun dried and finer colour obtained than if dried in the drying rooms, which the continual wet weather in these months generally necessitates. But the failure of the north-east monsoon has affected the spring crop for 1916, which will probably be a poor one.

The average prices are as follows :—

1913	..	..	..	44·03 cents per cwt.
1914	..	..	..	37·76 cents per cwt.
1915	..	..	..	37·48 cents per cwt.

*Coconut Industry.*—From 800,000 to 1,000,000 acres are under coconuts in Ceylon, and for a time after the outbreak of war the industry suffered severely from low prices. The coir fibre industry in the south-west of the Island was also seriously affected.

During the last few months the price of copra has greatly improved, reaching Rs. 90 per candy. The average for the last three years has been : Rs. 91·88 in 1913, Rs. 73·39 in 1914, and Rs. 61·73 in 1915. The price of coconut oil for the first quarter stood at Rs. 600 per ton, reached a maximum of Rs. 640, and then dropped again to Rs. 600 ; desiccated nut ranged from 22 cents to 22½ cents per lb. ; and bristle fibre, which was Rs. 8·25 per cwt. in the first quarter, rose to Rs. 9·25 per cwt. in December.

New plantations are being opened up in the northern districts, in the semi-dry zone, under irrigation from the tanks.

*Rubber.*—The year 1915 has seen a considerable increase in the output of rubber, as young plantations have come into bearing, and the older ones increased their yield through better cultivation and tapping.

The area under Hevea rubber is approximately 240,500 acres, almost entirely in the hands of European planters, and ranges from sea level to 2,000 feet.

Few new plantations are being planted, owing to lack of suitable available land, as Hevea will not thrive in the dry northern districts, even under irrigation.

By far the greater amount is shipped as crêpe, though a certain amount of smoked sheet and biscuit is also made.

Prices have ruled satisfactory throughout the year, the average price being Re. 1·65 per lb.

Experiments in the upbringing of plantations with green manure, seed selection, wide spacing, artificial manuring, and the best methods of tapping are being carried out.

Experts are engaged on research work connected with the physical problems connected with the tree, latex, and rubber, and with the fungus diseases attacking the tree, which are somewhat serious in the wetter districts.

*Cinnamon.*—2,000 acres of cinnamon were uprooted last year in one Province alone and planted with coconuts ; in another large areas have been replaced by rubber. In recent years cinnamon has fallen very much in price, owing probably to the more extended use of cheap cassia bark from China. The white sandy soils of Negombo, on which the best cinnamon is grown, is proving, under good cultivation, well adapted for coconuts, which do not require skilled labour in the preparation of the product for market, as is the case of cinnamon, which must, moreover, be harvested in the wet seasons, and is altogether a more troublesome crop to grow.

*Fodder Plants.*—One of the chief agricultural needs of Ceylon in general is a supply of fresh food for cattle. Efforts have been renewed at the hill gardens at Hakgala and Nuwara Eliya to introduce and establish plants likely to meet this want. *Paspalum dilatatum* has so far proved to be the most suitable grass for the hill districts, and its cultivation is now being taken up and extended by planters and others. The tree lucern and teosinte grass are being tried as possible supplementary sources of supply.

*Fibres.*—With a view to a possible demand for plants yielding commercial fibres, a consignment of the Manila hemp plant was obtained from the Philippines. Trial plots have been planted at the Peradeniya Experiment Station, where it is doing well, and at Hakgala. At the latter place a trial plot of the New Zealand hemp has also been established.

*Palm Collection in Peradeniya Gardens.*—What may some day prove of economic importance is the classified collection of palms, which has been begun in 1915 in the Royal Botanic Gardens, Peradeniya. This extends over a considerable area, and includes species from all parts of the tropics.

#### CATTLE.

*Rinderpest.*—Outbreaks occurred in five Provinces, and four remained free during the year. The steady decrease of the last four years continued:—

Year.	Number of Cases.	Year.	Number of Cases.
1911 ..	.. 15,195	1914 ..	.. 3,835
1912 ..	.. 9,103	1915 ..	.. 1,493
1913 ..	.. 4,848		

Of the cases during 1915, 271 recovered, 1,153 died naturally, and 69 were shot. At the close of the year the Island was free.

*Foot-and-mouth Disease.*—During 1915 outbreaks occurred in seven Provinces. Cases 1,916, recoveries 1,849, deaths 47, balance ill at close of the year 20. In 1914 there were 8,664 cases.

*Anthrax.*—Deaths from this disease occurred in the Western and Central Provinces. Western Province: 18 cases, 18 deaths; Central Province: 31 cases, 31 deaths.

*Swine.*—During 1915 an epidemic of disease resembling swine fever occurred amongst swine in the Colombo District of the Western Province. It spread northwards, and cases occurred in the North-Western Province. Western Province: cases 2,431, deaths 2,401, shot 30; North-Western Province: cases 81, deaths 13, recoveries 1, shot 67.

#### SALT.

The manufacture and collection of salt is a Government monopoly. Salt is sold to purchasers from all Government salt stores at Rs. 3 per cwt.; the amount realized by its sale in 1915 was Rs. 1,800,856·22, as compared with Rs. 1,582,178·89 in 1914 and Rs. 1,618,674·22 in 1913.

The year was not favourable for the production of salt, as the weather interfered with the manufacture at different centres. There was no collection of natural salt in Jaffna District, as the formations in the leeways were all dissolved by untimely rains. A fair harvest was, however, collected on the whole. Though no restriction was placed on the output, the total yield for the Island amounted only to 295,965 cwt. The quantity secured in 1912 was 276,781 cwt., in 1913 it was 210,310 cwt., and in 1914 522,350 cwt.

#### SALE OF CROWN LAND.

The total extent of Crown land sold and settled (exclusive of settlements under the Waste Lands Ordinances) was 14,773 acres, as compared with 27,471 acres in 1914 and 30,861 acres in 1913.

Sales of Crown lands were restricted during part of the year, owing to an apprehension that during the war the lands would not fetch their proper value. As, however, the villager is anxious to buy lands, and is ready to offer prices equivalent to those ruling at sales before the war, the continuance of land sales was permitted in most of the Provinces towards the end of the year.

The Land Settlement Department settles title to land as between the Crown and the subject. During the year 1915 an area of about 94,245 acres has been settled. Almost all the claims were settled without recourse to litigation.

The confidence of the people in the fairness of the settlements offered continues, and the increased facilities for acquiring land from the Crown are appreciated.



## PEARL FISHERY.

No pearl fishery was held in 1915, nor does there appear any prospect of a fishery being undertaken in the near future. The last was in 1907.

## MINERAL SURVEY.

During the year attention has been paid mainly to prospecting for sources of thorium, in view of the shortage of the mineral in home markets. Some valuable deposits of monazite sand have been found on the coast, and arrangements are being made to develop them. The hopes that have been entertained of producing thorium in marketable quantities, either from primary or secondary deposits, have been proved to be unfounded.

## FORESTS.

*Re-afforestation.*—Considerable attention has been paid to re-afforestation. Areas which are exploited for firewood supplies to the Railway and Public Departments are now being re-afforested on a systematic basis. Existing plantations are being extended. During the year the area of plantations was increased by nearly 300 acres.

*Exploitation.*—Public Departments were supplied with timber, fuel, and other forest produce valued at Rs. 326,398·51. The supplies included 25,060 broad gauge and 14,600 narrow gauge sleepers, 25,000 cubic feet of timber, and 58,000 cubic yards of firewood.

Since 1906 the Forest Department has supplied the Railway with 706,155 broad gauge and 234,619 narrow gauge sleepers, at an average cost of Rs. 3·64 and Re. 1·58 per sleeper respectively. By obtaining these supplies from the local forests a very large saving over the cost of imported sleepers has been effected, while it is admitted that the local sleepers are far more durable than anything that has hitherto been imported.

The revenue received from the public on account of timber, fuel, and minor forest produce during the year was Rs. 239,822·11.

## MANUFACTURES.

Ceylon is essentially an agricultural country, and its manufactures on any large scale are chiefly confined to the products of agriculture. The figures given under "Exports" show the output of factories in the year.

Minor industries, such as silver and brass work, ivory work, jewellery, lace-making, furniture, &c., have suffered from the lack of demand owing to the war and the absence of visitors to the Island.

About 6,500 acres were under tobacco cultivation in the Jaffna District, which is the principal tobacco-growing part of the Island. The crop was good, and the prices normal. The industry is languishing for want of a market, Cochin and Travancore being the only places to which the product is sent at present. The future depends on the success of the experiments now being conducted in Jaffna, with the object of turning out a tobacco suitable for the European market. During the year a number of foreign varieties of tobacco were successfully raised in the Government experimental garden under the direction of the tobacco expert.

A sugar refining company under European management has been formed, with partly European and partly Ceylonese capital, and a factory has been erected on the sea coast near Point Pedro. The necessary plant and machinery have been received, and are being installed in the buildings erected for the purpose. The company has taken on lease a large number of palmyra trees in the neighbourhood, from which sweet toddy is to be extracted, and sugar will be manufactured on an extensive scale.

MINING.

There was slackness in the plumbago industry, except towards the end of the year, when the price of the plumbago rose high owing to a sudden demand, due to facilities having been given for export to America, and some activity was in consequence displayed in mining.

The gemming industry has suffered from the effects of the war, and has been depressed for the greater part of the year. At one mine in Matara District a few precious stones were found, and this led to a renewal of digging operations in the vicinity.

IV.—TRADE.

The total value of Ceylon trade in 1915, excluding specie but including the value of coal supplied for the use of steamers, is estimated at Rs. 449,550,045. This is the highest figure recorded, and is due to the highly prosperous export trade in the staple products of the Colony.

The following table gives the total value of trade in lakhs of rupees for the past ten years :—

Year.	Lakhs of Rupees.	Year.	Lakhs of Rupees.
1906 ..	.. 2,363½	1911 ..	.. 3,523½
1907 ..	.. 2,631½	1912 ..	.. 3,886½
1908 ..	.. 2,647½	1913 ..	.. 4,329½
1909 ..	.. 2,853½	1914 ..	.. 4,022½
1910 ..	.. 3,321½	1915 ..	.. 4,495½

The Customs revenue collected in 1915 totalled Rs. 17,588,625·17. This sum, which is the largest ever collected by the Department, includes the new export duties, aggregating nearly two million rupees, which have been recovered since October 1. A large portion of this additional revenue is, however, being refunded under the regulations which exempt from the increased export duty goods in stock on September 30, 1915, or purchased under forward contracts entered into before October 1, 1915. In imports there were slight decreases under all heads, i.e., all heads under which revenue is classified, with the exception of kerosine oil, the total decrease amounting to 86½ lakhs as compared with 1914, and 224½ lakhs as compared with 1913. The chief articles contributing to the revenue in the last two years are—

	1914. Rs.	1915. Rs.
Grain ..	.. 4,071,681	.. 3,910,501
Spirits ..	.. 2,045,214	.. 1,881,294
Kerosine Oil ..	.. 1,712,643	.. 1,733,002
Sugar ..	.. 1,433,476	.. 1,331,786
Cotton Goods ..	.. 499,917	.. 419,578

The following table shows the annual value of imports and exports for a period of ten years. The figures do not include the value of specie or the value of coal supplied for the use of steamers :—

Year.	Imports. Rs.	Exports. Rs.	Total. Rs.
1906 ..	112,789,269	109,711,644	222,500,913
1907 ..	120,061,934	129,368,251	249,430,185
1908 ..	122,420,393	128,962,156	251,382,549
1909 ..	125,441,597	146,899,631	272,341,228
1910 ..	150,195,648	166,471,607	316,667,255
1911 ..	156,986,106	180,526,959	337,513,065
1912 ..	175,322,979	198,954,902	374,277,881
1913 ..	186,073,086	232,986,954	419,060,040
1914 ..	172,317,549	218,363,846	390,681,395
1915 ..	163,637,758	273,375,987	437,013,745

The excess in the value of exports over imports was Rs. 109,738,229, or 67 per cent.

Of the total exports in 1915, Rs. 265,733,258 represent the produce and manufacture of the Colony, and Rs. 7,642,729 represent British, foreign, and other colonial produce and manufacture.

The following table shows the percentage of the trade of Ceylon with the United Kingdom, British possessions, and foreign countries. Imports of rubber are excluded, as in previous years, this being an import only in name, the article being almost at once re-exported :—

<i>Imports.</i>				
	1913.		1914.	1915.
From United Kingdom ..	30·1	..	29·5	.. 22·3
From British Possessions ..	54·4	..	55	.. 62·6
From Foreign Countries ..	15·5	..	15·5	.. 15·1
<i>Exports.</i>				
To United Kingdom ..	45·3	..	52·9	.. 53·8
To British Possessions ..	12·2	..	13·5	.. 14·1
To Foreign Countries ..	42·5	..	33·6	.. 32·1
<i>Total Trade.</i>				
With United Kingdom ..	38·7	..	42·8	.. 42·2
With British Possessions ..	30·6	..	31·4	.. 31·9
With Foreign Countries ..	30·7	..	25·8	.. 25·9

Egypt is entered this year among British possessions and protectorates. Our imports from and exports to that country were valued at Rs. 263,162 and Rs. 2,566,304, respectively.

The British share in respect of imports has declined, while the total value of trade has been distributed among the United Kingdom, British possessions, and foreign countries in much the same ratio as in 1914.

#### IMPORTS.

The principal articles imported in 1915 show decreases as compared with 1914.

*Confectionery.*—The total imports were 952,612 lb. valued at Rs. 390,936, as against 1,052,870 lb. valued at Rs. 382,137 in 1914, the United Kingdom supplying the greater part. Switzerland supplied Rs. 22,723 worth in 1915, while supplies from other foreign countries were negligible.

*Cement.*—331,372 cwt. were imported in 1915, a decrease of 23,775 cwt. as compared with 1914. More than half of this came from the United Kingdom, while Japan and Denmark supplied most of the remainder. Japan occupies the place formerly held by Germany in this trade. The article supplied by Japan is cheap; it is put up in strong barrels to prevent wastage, and is gaining in popularity, the higher British freights being a handicap in this as in many other commodities.

*Cotton, Manufactured and Raw.*—There is a decrease in value from Rs. 14,013,451 in 1913 and Rs. 13,062,117 in 1914 to Rs. 9,483,674 in 1915, due principally to smaller imports of dyed and bleached piece goods from the United Kingdom. Imports from British possessions rose from Rs. 1,879,544 in 1914 to Rs. 2,806,612 in 1915, the chief increase being in imports from British India, while those from foreign countries fell from Rs. 2,145,909 to Rs. 956,222 in the same period. There was a better demand than in 1914 for yarn and twist for use in the local weaving industry.

*Grain.*—The quantity of rice cleared for consumption decreased from 7,400,269 cwt. in 1914 to 7,175,581 cwt. in the year under review. More rice came from the Straits Settlements and Burma, and less from British India.

*Motor Cars and Horses.*—296 cars have been imported during 1915. During the previous five years the imports were—

1910	..	..	..	..	151
1911	..	..	..	..	213
1912	..	..	..	..	239
1913	..	..	..	..	407
1914	..	..	..	..	459

While the war restricted imports from the United Kingdom, there was an increased demand for low-priced cars, which has been supplied by the United States of America, imports from that country rising from 120 cars in 1914 to 174 cars in 1915.

Imports of petrol, which is mainly used as a source of motive power for cars in Ceylon, also declined. The figures since 1910 are—

Year.				Gallons.
1910	..	..	..	136,646
1911	..	..	..	206,208
1912	..	..	..	216,714
1913	..	..	..	383,442
1914	..	..	..	701,082
1915	..	..	..	607,774

Only 60 horses were imported in 1915, chiefly from British India. Under normal conditions imports should be appreciably larger, the number of horses imported in 1913 being 246.

*Lamps.*—Of the 156,985 lamps imported in 1915, 101,222 came from Japan. These were principally small glass kitchen lamps of trifling value. Most of the better kinds are imported from the United Kingdom, and to a less extent from the United States of America. Germany figures as the principal foreign country in the return for lamps in 1915, the value of German lamps imported being Rs. 13,089. This represents principally imports from British possessions of lamps purchased before the war, while a part consisted of prize cargo sold in Colombo.

*Metals and Metalware.*—There was a drop of Rs. 353,157 as compared with 1914. The most important head in metals and metalware is hardware. This shows the largest decrease, which, in the case of the United Kingdom, amounts to 50 per cent., due no doubt to the fact that the factories at home are being largely used for the manufacture of war materials; barbed wire also showed a large diminution. The increase in the imports of pig lead for conversion into tea lead more than made up for the decrease in imports of manufactured tea lead, and was due to the demand caused by increased exports of tea.

*Manure.*—Imports of all kinds amounted to 81,501 tons, an increase of 19,613 tons over 1914. Groundnut manure from British India showed an increase of 16,635 tons compared with the previous year. Kainit, sulphate of potash, and muriate of potash, of which Austria and Germany were the chief exporters, have been but poorly supplied during the year.

*Spirits.*—The quantity cleared for home consumption was 229,516 gallons, as against 331,006 gallons in 1914. Whisky was the spirit imported in the largest quantity, and while this was on a level with the imports of 1914, gin, the import of which in recent years was greater than that of whisky, showed a decline of about 45 per cent., a similar decrease being also noticeable under brandy.

*Sugar*.—Imports of palm and jaggery, unrefined sugar, and refined sugar, including candy, aggregated 467,762 cwt., the quantity of candy and refined sugar alone being 430,573 cwt., as against 470,378 cwt. in 1914. Java and Hong Kong are the principal countries supplying this article.

*Tobacco, Cigars, and Cigarettes*.—The amounts cleared during the past three years have been—

Year.	Cigars.	Cigarettes.	Manufactured Tobacco.	Total.
	lb.	lb.	lb.	lb.
1913 ..	22,051 ..	318,955 ..	48,258 ..	389,264
1914 ..	22,803 ..	329,230 ..	39,149 ..	391,182
1915 ..	22,745 ..	231,500 ..	20,432 ..	274,677

It will be seen that while the supply of cigars is maintained, that of cigarettes and manufactured tobacco has declined considerably.

### *Ceylon's Chief Sources of Supply.*

The principal countries exporting goods to Ceylon, with the percentages of value supplied by each, are shown in the following table :—

Position.	Countries.	1915. Per Cent.	1914. Per Cent.	1915 Per Cent.
1.	British India ..	40·83 ..	35·93 ..	41·19
2.	United Kingdom ..	29·19 ..	28·58 ..	21·66
3.	Straits Settlements ..	6·12 ..	8·94 ..	10·41
4.	Burma ..	3·82 ..	6·11 ..	6·88
5.	Japan ..	2·21 ..	1·71 ..	3·22
6.	United States of America ..	1·28 ..	1·33 ..	2·95
7.	Java ..	1·75 ..	1·5 ..	2·21
8.	Maldiv Islands ..	1·19 ..	1·21 ..	1·39
9.	Hong Kong ..	·91 ..	·77 ..	·98
10.	Siam ..	·37 ..	1·1 ..	·78
11.	China (excluding Hong Kong) ..	·38 ..	·53 ..	·75
12.	France ..	·79 ..	·83 ..	·64
13.	Holland ..	·72 ..	·85 ..	·62
14.	Natal ..	·73 ..	·79 ..	·6
15.	Borneo (excluding British) ..	·51 ..	·46 ..	·57
16.	Persia ..	·01 ..	·88 ..	·5
17.	New South Wales ..	·17 ..	·23 ..	·47
18.	India (excluding British) ..	·34 ..	·46 ..	·41
19.	Sumatra ..	— ..	— ..	·37
20.	Norway ..	·09 ..	·11 ..	·36
21.	Switzerland ..	·26 ..	·22 ..	·34
22.	Western Australia ..	·29 ..	·39 ..	·31
23.	Sweden ..	·19 ..	·23 ..	·29
24.	Mauritius ..	·06 ..	·34 ..	·26
25.	Italy ..	·54 ..	·46 ..	·21
26.	Victoria ..	·44 ..	·76 ..	·19
27.	Germany ..	3·24 ..	2·49 ..	·18
28.	Egypt ..	·05 ..	·04 ..	·16

The setback under United Kingdom is due to restricted imports, principally of coal, cotton goods, hardware, and cars and parts. British India has improved her percentage by sending larger supplies of coal to make up the deficiency from the United Kingdom.

Japan is leading among foreign competitors, and now occupies the position held by Germany before the war. The fact that the latter country appears at all at the bottom of the table, with a total value of Rs. 302,518 to her credit, is mainly due to the importation of articles manufactured in Germany, but exported into other countries prior to the war. The importation of goods made in Germany is now prohibited, except with the special sanction of the Principal Collector of Customs.

EXPORTS.

The staple products in order of value are as follows :—

		Lakhs of Rupees.					
		1913.		1914.		1915.	
1.	Tea ..	877	..	897	..	1,225	
2.	Rubber ..	612	..	572	..	790	
3.	Copra ..	209	..	232	..	177	
4.	Coconut oil ..	167	..	134	..	130	
5.	Desiccated coconuts ..	78	..	78	..	86	
6.	Plumbago ..	90	..	42	..	79	
7.	Arecanuts ..	30	..	18	..	33	
8.	Cacao ..	30	..	20	..	31	
9.	Cinnamon ..	24	..	16	..	20	
10.	Citronella oil ..	16	..	13	..	15	
11.	Coir yarn ..	15	..	13	..	10	
12.	Poonac ..	11	..	9	..	10	
13.	Coir fibre ..	15	..	13	..	9	
14.	Cardamoms ..	9	..	7	..	8	
15.	Tobacco ..	8	..	9	..	6	
16.	Coconuts ..	14	..	9	..	5	

The increase under tea, rubber, and plumbago are significant.

Arecanuts, poonac, and cardamoms have advanced ; while cacao, coir fibre, tobacco, and coconuts have receded.

The principal countries buying Ceylon produce and manufacture are given in the following table, with the percentages of value taken by each :—

		1913.		1914.		1915.
		Per Cent.		Per Cent.		Per Cent.
United Kingdom	..	45·54	..	53·88	..	55·05
United States of America	..	16·63	..	14·1	..	18·39
Russia in Europe	..	4·63	..	3·13	..	3·99
Victoria	..	2·14	..	2·46	..	2·57
British India	..	2·39	..	2·07	..	2·39
New South Wales	..	2·24	..	2·56	..	2·26
Denmark	..	·26	..	1·2	..	2·14
Russia in Asia	..	1·42	..	1·32	..	2·06
Canada	..	1·68	..	1·97	..	1·68
China (excluding Hong Kong)	..	1·7	..	1·31	..	1·44
New Zealand	..	1·11	..	1·57	..	1·4
Egypt	..	·25	..	·33	..	·96
Holland	..	·25	..	·71	..	·94
France	..	·38	..	·54	..	·91
Norway	..	·57	..	·35	..	·9
South Australia	..	·34	..	·42	..	·42
Natal	..	·28	..	·29	..	·36
Cape Colony	..	·23	..	·27	..	·35
Straits Settlements	..	·32	..	·26	..	·27
Spain (excluding Gibraltar)	..	·22	..	·25	..	·23
Queensland	..	·22	..	·28	..	·22
Japan	..	·37	..	·31	..	·2
Western Australia	..	·18	..	·21	..	·17
Philippines	..	·17	..	·17	..	·13
Newfoundland	..	·06	..	·08	..	·08
Hong Kong	..	·06	..	·16	..	·06
Italy	..	·18	..	·1	..	·05

The loss of markets in Austria and Germany, representing a loss of something approaching 25 million rupees, as well as the general restrictions introduced with a view to preventing supplies from reaching enemy countries, has not had the effect of checking the total quantity exported. Substantial increases are noticeable all round, except in the percentages of three Australian States, New Zealand, Canada, Japan, the Philippine Islands, Hong Kong, Spain, and Italy.

*Tea.*

The figures for tea, which have been fairly stable for some years, showed a remarkable rise, the increase being one of over 22 million pounds above last year's total, the average price per pound ruling for the article being also about 23 per cent. more. The exports during the past seven years are shown below :—

	Millions of lb.		Millions of lb.
1909 ..	.. 192	1913 ..	.. 191
1910 ..	.. 182	1914 ..	.. 193
1911 ..	.. 186	1915 ..	.. 215
1912 ..	.. 192		

The distribution among the principal countries, with their increases and decreases, is set out in the following table :—

	1914. lb.	1915. lb.	Increase. lb.	Decrease. lb.
United Kingdom ..	115,888,689 ..	124,396,216 ..	8,507,527 ..	—
<b>British Colonies—</b>				
British India ..	2,062,129 ..	2,875,159 ..	813,030 ..	—
Canada ..	8,522,964 ..	7,162,572 ..	— ..	1,360,392
Cape Colony ..	975,502 ..	1,394,126 ..	418,624 ..	—
Egypt ..	1,232,202 ..	4,320,278 ..	3,088,076 ..	—
Hong Kong ..	193,060 ..	130,701 ..	— ..	62,359
Malta ..	100,222 ..	132,246 ..	32,024 ..	—
Mauritius ..	104,787 ..	119,712 ..	14,925 ..	—
Natal ..	1,241,785 ..	1,529,459 ..	287,674 ..	—
Newfoundland ..	349,744 ..	371,877 ..	22,133 ..	—
New South Wales ..	10,797,256 ..	9,880,166 ..	— ..	917,090
New Zealand ..	6,679,761 ..	6,170,492 ..	— ..	509,269
Queensland ..	1,087,632 ..	874,344 ..	— ..	213,288
South Australia ..	1,782,070 ..	1,776,178 ..	— ..	5,892
Straits Settlements ..	461,680 ..	442,511 ..	— ..	19,169
Victoria ..	7,972,142 ..	8,698,999 ..	726,857 ..	—
Western Australia ..	873,774 ..	692,948 ..	— ..	180,826
Other British Possessions	414,973 ..	432,602 ..	17,629 ..	—
<b>Total British Possessions</b>	<b>44,851,683</b>	<b>47,004,370</b>	<b>5,420,972</b>	<b>3,268,285</b>
		<b>Deduct Decrease ..</b>	<b>3,268,285</b>	
		<b>Nett Increase ..</b>	<b>2,152,687</b>	
<b>Foreign Countries—</b>				
China (excluding Hong Kong) ..	5,862,619 ..	6,631,778 ..	769,159 ..	—
France ..	928,118 ..	1,581,917 ..	653,799 ..	—
Japan ..	66,039 ..	55,150 ..	— ..	10,889
Mozambique ..	201,446 ..	156,027 ..	— ..	45,419
Persia ..	1,920 ..	99,149 ..	97,229 ..	—
Philippine Islands ..	65,181 ..	73,680 ..	8,499 ..	—
Russia in Asia ..	5,983,696 ..	9,369,899 ..	3,386,203 ..	—
Russia in Europe ..	7,925,794 ..	15,727,736 ..	7,801,942 ..	—
South America ..	58,731 ..	75,213 ..	16,482 ..	—
United States of America	10,667,008 ..	10,250,652 ..	— ..	416,356
Other Foreign Countries	1,082,668 ..	210,940 ..	— ..	871,728
<b>Total Foreign Countries</b>	<b>32,843,220</b>	<b>44,232,141</b>	<b>12,733,313</b>	<b>1,344,392</b>
		<b>Deduct Decrease ..</b>	<b>1,344,392</b>	
		<b>Nett Increase ..</b>	<b>11,388,921</b>	
<b>Grand Total</b> ..	<b>193,583,592</b>	<b>215,632,727</b>	<b>22,049,135</b>	<b>—</b>

The largest quantitative increase was in the shipments to Russia, while the largest proportionate increase was in the shipments to Egypt—an increase of about 250 per cent. over last year, and accounted for by supplies sent for the use of His Majesty's troops there. More tea was also taken by the United Kingdom, British India, China, Victoria, France, and the Cape Colony; while Canada, New South Wales, New Zealand, and the United States of America took less.

#### *Products of the Coconut Palm.*

The exports under this head were valued at 429 lakhs, as against 491 lakhs in 1914. Recent exports of the three principal products have been—

Year.		Desiccated Coconuts. Cwt.		Copra. Cwt.		Coconut Oil. Cwt.
1910	..	242,286	..	758,711	..	619,680
1911	..	292,210	..	821,814	..	505,016
1912	..	278,806	..	614,089	..	401,779
1913	..	303,808	..	1,117,292	..	546,984
1914	..	311,864	..	1,411,947	..	486,286
1915	..	349,009	..	1,208,529	..	501,510

Prices realized for the products of the coconut palm generally were lower than in 1914. Of the three products mentioned above, coconut oil showed a decrease in the average price, from Rs. 27·54 per cwt. in 1914 to Rs. 25·84 in 1915; while the average value entered for copra was Rs. 14·61 per cwt., as against Rs. 16·46 per cwt. in 1914. The average value entered for desiccated coconuts was practically the same as in 1914.

#### *Rubber.*

Exports of Ceylon rubber constitute a record, the quantity being 435,748 cwt. for 1915. For the previous five years, a period notable for the remarkable growth in the exports of this product, the exports have been—

	Cwt.		Cwt.
1910 ..	.. 33,952	1913 ..	.. 226,491
1911 ..	.. 61,212	1914 ..	.. 306,724
1912 ..	.. 132,569		

The United Kingdom and the United States of America continue as the principal buyers, their purchases being 55·12 per cent. and 39·72 per cent. respectively of the total, as against 62·9 per cent. and 23·19 per cent. in 1914.

Besides the United States of America and France and Russia, the only other foreign country to be supplied with this article was Japan, due to restrictions necessitated by the war.

#### CUSTOMS DUTIES.

All imports not specially rated or exempted by the tariff are liable to a Customs duty of 5½ per cent. *ad valorem*.

Under Ordinance No. 17 of 1869, as amended by Ordinance No. 5 of 1914, the following export duties have been levied with effect from October 1, 1915:—

	Rs. c.		Rs. c.
Tea, per 100 lb.	.. 1 50	Coconuts, fresh, per 1,000	.. 2 0
Rubber, per 100 lb.	.. 7 50	Coconut, desiccated, per cwt.	.. 0 70
Cacao, per 100 lb.	.. 1 50	Copra, per cwt.	.. 0 40
Cardamoms, per 100 lb.	.. 7 50	Coconut oil, per cwt.	.. 0 75

The duty on cardamoms was rescinded early in 1916, as a concession to an industry which is not at present in a prosperous condition.

Separate recoveries made under the Medical Wants Ordinance, No. 9 of 1912, in respect of the first four articles ceased when the new duties were imposed, a portion of the new duties, equivalent to the duties previously levied under the Medical Wants Ordinance, being credited to the Medical Wants Fund.



## V.—SHIPPING.

The total number of all vessels which entered the ports of the Island of Ceylon in 1915 was 4,272, with a tonnage of 7,883,268. This shows a decrease of 129 vessels and a decrease of 1,455,267 tons as compared with 1914.

The following table gives the total number and nett tonnage of shipping entering all ports in Ceylon during the last three years:—

	1913.		1914.		1915.	
	Number.	Tons.	Number.	Tons.	Number.	Tons.
Merchant vessels (with cargo and in ballast) ..	2,464	7,981,773	2,523	7,041,986	1,500	4,984,122
Merchant vessels (called to coal) ..	651	1,816,376	615	1,728,558	655	1,937,572
Native sailing vessels ..	1,115	106,958	1,159	103,541	1,847	268,938
Warships* and trans-ports ..	53	198,620	104	464,450	210	692,636
Total ..	4,283	10,103,727	4,401	9,338,535	4,272	7,883,268

\* Warships' displacement tonnage.

Omitting warships and vessels calling to coal, the following table gives the comparative distribution according to nationality for 1914 and 1915:—

	1914.		1915.	
	Number.	Tons.	Number.	Tons.
British ..	1,840	4,610,513	1,103	3,508,012
British Colonial ..	1,033	83,813	1,728	253,985
Maldivian ..	108	13,428	119	14,953
Total British Ships ..	2,981	4,707,754	2,950	3,776,950
American ..	—	—	5	11,745
Austrian ..	77	225,966	—	—
Belgian ..	—	—	1	1,860
Danish ..	16	45,640	14	37,249
Dutch ..	120	446,706	83	302,279
French ..	116	403,375	92	320,656
German ..	151	612,852	—	—
Greek ..	4	12,351	1	2,489
Italian ..	19	52,349	18	50,453
Japanese ..	105	435,657	139	573,542
Norwegian ..	25	31,440	54	66,173
Russian ..	38	98,600	10	13,614
Siamese ..	1	2,228	—	—
Spanish ..	26	63,297	28	65,283
Swedish ..	3	7,312	12	30,767
Total Foreign Ships ..	701	2,437,773	457	1,476,110

The predominance of British shipping continues, but the decrease in the number and tonnage is due to the war.

There have been no German or Austrian vessels on account of the war. There have been increases in the number of Japanese, Norwegian, and Swedish vessels; and decreases in the number of Russian, French, Dutch, and Greek vessels, probably due to the same cause.

The entrance of five American vessels is a feature of the year 1915, there having been none in the past two years.

## COLOMBO PORT COMMISSION.

In spite of the reduction in expenditure necessitated by the war, progress has been maintained in increasing the warehouse accommodation and other facilities of the port. Six new warehouses, which have been named the Delft warehouses, and a covered roadway, situated on the old coaling grounds immediately east of the passenger jetty, were completed by the Public Works Department and handed over for use; while two new warehouses intended for export cargo, constructed by the Colombo Port Commission on the new quay wall in front of the old Harbour Works premises, are approaching completion.

The construction of the quay wall between the Patent Slip and Block Jetty and of the quay walls of the canal leading from the lake to the harbour has advanced considerably. The water service was laid throughout the Customs premises, and arrangements have been made for supplying the shipping from meters on the south-west breakwater, thus relieving the congestion of the foreshore used for coaling and the discharge of cargo.

The Chalmers' granaries for the storage of rice were opened in May. Three of these sheds were completed by the end of 1915, and a fourth is approaching completion. The question of the provision of complete facilities for the discharge, bunkering, and storage of liquid fuel and other petroleum products at Colombo has still further engaged the attention of the Commission. A site for the new oil installations has been selected at a distance from the harbour at Mattacooly; detailed plans and estimates of the installation, to be connected with a basin for the discharge and bunkering of oil vessels to the north of the present Graving Dock, are being prepared by Messrs. Coode, Matthews, Fitzmaurice, & Wilson, Consulting Engineers. The survey of a proposed railway to Mutwal, which will serve the proposed new oil installations and link up the harbour direct with the main line, is in hand; its construction will very greatly increase the facilities of the port.

The work of deepening the harbour has been suspended during 1915. The work at Colombo is, however, in advance of the work of deepening in the Suez Canal.

Two new pilot launches, costing Rs. 103,932, were received in June, 1915.

The nett tonnage of vessels (sailing and steam) visiting Colombo harbour in 1915 amounted to 6,787,891 tons; in addition 210 warships and transports with a tonnage of 692,636 and coasting vessels with a tonnage of 19,652 entered the port. The receipts from the Graving Dock were Rs. 108,743·69 (inclusive of Rs. 45,481·61 in respect of charges for docking His Majesty's ships from 1907 to 1913), and from the Patent Slip Rs. 14,586·50.

The management of the Galle harbour was placed in the hands of the Master Attendant, Colombo, from November 1, 1915. The signal station at Galle was transferred by Lloyds' Agents to the Ceylon Government from October 1, 1915. Arrangements have since been made to send and receive signals both night and day.

The expenditure by the Colombo Port Commission (apart from the works carried out by the Public Works Department) during the financial year 1914-15 (October 1, 1914, to September 30, 1915) amounted to Rs. 1,769,990·16. The sum expended by the Public Works Department in the construction of new warehouse and wharf accommodation during the financial year 1914-15 was Rs. 188,273·92, the total expenditure in connection with the harbour during the financial year thus amounting to Rs. 1,958,264·08.

## VI.—LEGISLATION.

Twenty-four Ordinances were passed during the year 1915. Of these, the three following owed their origin to the present war :—

- (a) *The Tea Cess Ordinance, No. 1 of 1915*, authorizing a further appropriation out of the Tea Cess Fund, similar in character to those authorized by “ The Tea Cess Ordinance, No. 21 of 1914 ” ;
- (b) *The Patents, Designs, and Trade Marks (Temporary Rules) Ordinance, No. 10 of 1915*, framed on the lines of “ The Patents, Designs, and Trade Marks Temporary Rules Act, 1914 ” ; and
- (c) *The War Contribution Ordinance, No. 24 of 1915*, providing for a contribution out of the revenue of the Colony towards the cost of the present war.

Besides these, the following Ordinances are of interest :—

- (i.) *The Dentists Registration Ordinance, No. 3 of 1915*. Its special features are—
  - (a) The prohibition of dental practice by unqualified persons ;
  - (b) The prohibition of the use of the title “ doctor ” by dentists ;
  - (c) The authority reserved to vedaralas, Government apothecaries, and estate dispensers to render all dental services, except dental operations ; and
  - (d) The issue of special licenses to practise to existing unqualified practitioners.
- (ii.) *The Criminal Procedure Code (Amendment) Ordinance, No. 18 of 1915*, empowers the Governor to give directions for the trial of the offence of sedition, and any other offence, which owing to the circumstances of the time is not appropriately triable by jury, by a special tribunal consisting of three Judges of the Supreme Court.
- (iii.) *The Housing and Town Improvement Ordinance, No. 19 of 1915*, is a comprehensive Ordinance, enlarging the powers of local authorities to control the growth of towns, and to take measures for the improvement of insanitary areas, and areas otherwise requiring special action by means of improvement schemes.
- (iv.) *The Riot Damages Ordinance, No. 23 of 1915*, provides for the assessment of damages caused by riots, and for the recovery of compensation from the inhabitants and property owners of the districts in which they have occurred.

## VII.—EDUCATION.

It is difficult to draw a clear line between elementary and secondary education in Ceylon. The English-speaking community form scarcely one per cent. of the total population, so that most of the schools where English is taught are teaching a language which is foreign to the large majority of their pupils.

The vernacular schools constitute the real elementary education of the country.

## VERNACULAR EDUCATION.

In 1915 there were 801 Government vernacular schools, with an attendance of 82,418 boys and 26,705 girls. There were also 1,827 aided schools, with an attendance of 125,364 boys and 73,707 girls.

The total sum expended by Government on vernacular education in 1915 was approximately Rs. 1,355,176, of which, roughly speaking, Rs. 660,486 was spent on Government schools and Rs. 694,689 on aided schools.

The Rural Schools Ordinance is now in force in all districts of the Island except Jaffna.

At the end of 1915 there were 242 aided estate schools, and returns from 569 estates showed that of a total of 16,622 children of school-going age 7,217 were attending estate schools. Of these, 6,056 were boys and 1,161 girls.

A school for the deaf and blind has been carried on since 1912, and receives an annual grant from Government of Rs. 3,000.

#### SCHOOLS TEACHING ENGLISH.

In 1915 there were 258 English and Anglo-vernacular schools attended by 44,684 pupils, of whom 35,317 were boys and 9,367 girls.

In many of the schools candidates are prepared for the Senior and Junior Cambridge Local Examinations. In 1914 the candidates who presented themselves and the results obtained were—

			Candidates.		Honours.		Passed.
Senior	..	..	792	..	57	..	427
Junior	..	..	1,078	..	49	..	639

The results of the London University Examinations in 1915 showed that 72 candidates from Ceylon presented themselves for the Matriculation Examination, 22 of whom passed. In addition, 13 candidates passed the Intermediate Examination in Arts, 10 passed the Intermediate Examination in Science, 1 the Examination for the Degree of Bachelor of Arts, 5 the First Examination in Medical Degrees, and 2 the Intermediate Examination in Laws.

The encouragement offered by Government takes the form of grants or scholarships. In the majority of the aided English schools grants are paid on the results of examinations in the schedules of the Code, but in some of the more advanced schools the greater part of the grant is paid on the average attendance. The grants paid to English schools in the financial year 1914-15 amounted to Rs. 314,933.

Two Government scholarships are offered annually, one on the results of the Intermediate Examination in Arts and the other on the results of the Intermediate Examination in Science. These scholarships are tenable for three years, and are of the value of £200 each per annum, with free passage to England and £50 outfit allowance. The holders may join any British University, or study at any recognized engineering institution in the United Kingdom.

#### TRAINING OF TEACHERS.

The Government Training College consists of three departments: English, Sinhalese men, and Sinhalese women. The object is to supply trained teachers for aided English schools and Government vernacular schools. At the beginning of 1915 the number of students in training was English 45, Sinhalese men 53, Sinhalese women 20.

#### INDUSTRIAL SCHOOLS.

There are no Government industrial schools, but carpentry schools are attached to five Government schools in the Kandyan Provinces. In 1915 the aided industrial schools, which are 39 in number, received grants amounting to Rs. 23,788. The trades taught were carpentry, dressmaking, printing, shoemaking, tailoring, lace-making, embroidery, gardening, and masonry.

The most important of these schools is the Maggona Certified Industrial School, which is utilized by Government as a reformatory for youthful offenders, and is carried on by the Roman Catholic Mission. This institution has an estate of some 300 acres and excellent buildings, towards the cost of which Government has contributed. Over 200 youthful offenders are at present receiving instruction in this school, and an allowance is paid by Government for the maintenance of each offender.

### AGRICULTURAL INSTRUCTION.

An attempt has been made to supply elementary agricultural instruction by a scheme of school gardens conducted in connection with Government schools. The gardens are under the supervision of the Department of Agriculture ; there is a Superintendent of School Gardens, who is assisted by three inspectors. 287 school gardens attached to Government schools are worked under this scheme, and 56 grant-in-aid schools receive garden grants. Seeds and implements are supplied by the Department of Agriculture, and prizes are offered for competition.

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## VIII.—GOVERNMENT INSTITUTIONS.

### HOSPITALS.

There are 78 Government hospitals (in addition to the Lunatic and the Leper Asylums) equipped with modern hospital furniture and surgical appliances ; the number of beds in the institutions ranges from 12 to 497, while the number accommodated in the Lunatic Asylum numbered 837 as lowest and 903 as highest ; in addition to the hospitals, there are 430 Government outdoor dispensaries. The owners of estates have also provided 54 estate hospitals, which receive a rebate on export duty, and 353 dispensaries, which receive drugs free from Government to a value of 50 cents per labourer per annum.

Four new hospitals are under construction at Pimbura in the Western Province, Passara in the Province of Uva, and Kitulgala and Pelmadulla in the Province of Sabaragamuwa. A new building is also being erected at Alutnuwara in the Province of Uva to replace the present hospital building ; a new dispensary was opened during the year at Kahataruppe in the Province of Uva.

### MEDICAL INSTITUTIONS.

A general rebuilding scheme is in contemplation for the improvement of the Medical College. The full course of training for medical students is five years ; a diploma in medicine, surgery, and midwifery (which can be registered in the United Kingdom) is granted to successful medical students.

In Colombo there are a Bacteriological Institute, a General Hospital, Lunatic Asylum, an Ophthalmic Hospital, a Lying-in Home, a hospital for women and children, and one for infectious diseases. There is an establishment for the manufacture of calf lymph ; there are special dispensaries at Kandy and Galle for the treatment of eye diseases.

### ASYLUMS.

The Lunatic Asylum contained 897 inmates on December 31, 1915. As there is very considerable overcrowding in the present building, it is proposed to build a new institution a few miles out of Colombo, with accommodation for 1,000 patients, and for the necessary staff, officers, and servants. The number of patients treated in the asylum during 1915 was 1,136 (717 males and 419 females). The number discharged was 165 (110 males and 55 females), and the number of deaths was 74 (48 males and 26 females). In the House of Observation 391 persons were treated, of whom 191 were transferred to the asylum, 174 were discharged, 9 cases died, and 17 remained at the end of the year.

The Leper Asylum is situated 6 miles from Colombo ; it contained 402 patients at the end of the year ; the total treated during 1915 numbered 509. A small establishment for lepers exists at Kalmunai in the Eastern Province, and has accommodation for 30 ; it is proposed to establish a leper colony at Mantivu in the same Province.

A Home for Incurables (containing 80 beds) is administered by a Committee of Government officials and representatives of the public. An institute for the treatment of tuberculosis has been built in Colombo, but was not opened, as no suitable officer was obtainable.

## IX.—CRIME.

## POLICE.

The strength of the Force on December 31, 1915, provided for in the Estimates was 1 Inspector-General, 9 Superintendents, 15 Assistant Superintendents, 3 Probationers, 36 Inspectors, 87 Sub-Inspectors, 4 Station House Officers, 318 Native Sergeants, and 2,169 Native Constables.

European Police: 1 Inspector, 3 Sub-Inspectors, 7 Second Class Sergeants, and 22 Third Class Sergeants.

Total of all ranks 2,675.

The cost of the Force was Rs. 1,506,100 approximately.

## CRIMINAL STATISTICS.

*General Character of the Year.*—The following statement shows the state of crime in 1915 as compared with 1914:—

	1914.	1915.*	1915.†
Murder and homicide ..	209 ..	204 ..	52
Grievous hurt ..	613 ..	615 ..	16
Hurt with knife ..	1,218 ..	1,214 ..	12
Rape ..	53 ..	56 ..	14
Robbery ..	303 ..	381 ..	54
Arson ..	192 ..	267 ..	63
Burglary ..	1,609 ..	1,911 ..	116
Theft of cattle and prædial produce ..	796 ..	981 ..	17
Treason, &c. ..	— ..	— ..	141
Attempted homicide ..	— ..	— ..	19
Unlawful assembly and rioting ..	— ..	— ..	1,162
Destroying building: mosque and shop breaking ..	— ..	— ..	107
Other offences committed in connection with rioting ..	— ..	— ..	285
Total ..	4,993	5,629	2,058

\* Not including crime committed during the disturbances in May-June.

† Crime committed during the disturbances.

There was a general increase in crime against the person and property.

*Disturbances.*—Crime committed during the disturbance is shown separately.

Starting in Kandy on the night of May 28, when the Muhammadan mosque was attacked by the Buddhists, and continuing in Kandy on May 29, disturbances broke out round Kandy on the 30th, and on May 31 in the Sabaragamuwa, North-Western, and Western Provinces. On June 1 rioting was in progress in four Provinces, in 86 different centres, extending over an area of 112 miles from north to south. On June 2 disturbances were spread over five Provinces, in 116 different centres, extending over an area of 136 miles from north to south. The severity of the disturbances may be gauged by the fact that between May 28 and June 5 serious offences were committed to the number of 36 per cent. of other crime for the whole year.

Of the persons convicted by Courts Martial for offences committed in connection with the disturbances, 96 per cent. were Sinhalese and 90 per cent. were Buddhists. Out of 5,315 habitual criminals in the Island, only 10 were convicted by Courts Martial. 1,508 persons were arrested by the police while rioting was going on.

Crime committed during the disturbances cannot, therefore, be classed with the ordinary crime in the Colony.

The statement below shows the distribution of crime during the disturbances from May 28 to June 5 :—

Offences committed during the Disturbances from May 28 to June 5 dealt with by Police Courts, District Courts, and Courts Martial.

Province.	Offences against the State.	Offences against the Person.	Offences against Property.	Total.
Western ..	826 ..	66 ..	210 ..	1,102
Sabaragamuwa ..	180 ..	3 ..	91 ..	274
North-Western ..	101 ..	15 ..	123 ..	239
Southern ..	73 ..	18 ..	131 ..	222
Central ..	123 ..	16 ..	82 ..	221
<b>Total ..</b>	<b>1,303</b>	<b>118</b>	<b>637</b>	<b>2,058</b>

*Distribution of Crime.*—The following table shows the distribution of crime, excluding offences committed during the disturbances :—

Province.	Homicide.	Attempted Homicide.	Grievous Hurt.	Hurt with Dangerous Weapons.	Burglary.	Thefts of Cattle and Predial Produce.	Other Offences.	Total.
Western ..	70..	10..	213..	367..	572..	381	879..	2,492
Southern ..	36..	5..	117..	276..	497..	199..	303..	1,433
Central ..	17..	11..	59..	104..	232..	44..	522..	989
North-Western ..	23..	8..	43..	103..	235..	189..	520..	1,121
Sabaragamuwa ..	32..	6..	53..	116..	212..	64..	331..	814
Colombo City ..	6..	1..	41..	82..	46..	4..	279..	459
Uva ..	7..	2..	19..	43..	55..	43..	151..	320
Northern ..	8..	—	48..	63..	18..	18..	226..	381
Eastern ..	3..	—	14..	41..	24..	21..	82..	185
North-Central ..	2..	—	8..	19..	20..	18..	76..	143
<b>Total ..</b>	<b>204</b>	<b>43</b>	<b>615</b>	<b>1,214</b>	<b>1,911</b>	<b>981</b>	<b>3,369</b>	<b>8,337</b>

The state of crime in each Province may best be determined by comparing the number of serious offences committed with the population. Such an analysis shows that (crime and population of Colombo excluded)—

	Persons.
In the Western Province there was 1 case of crime to every ..	357
In the North-Western Province ..	387
In the Southern Province ..	439
In the Colombo City ..	472
In the Province of Sabaragamuwa ..	502
In the North-Central Province ..	603
In the Central Province ..	679
In the Province of Uva ..	677
In the Eastern Province ..	993
In the Northern Province ..	970

*Comparison with Madras.*—Compared with the Madras Presidency—

	Ceylon. Persons.	Madras. Persons.
Proportion of crime to population is 1 case of crime to ..	492 ..	1,971
Proportion of murders to population is 1 case of murder to ..	20,129 ..	38,863

That there is a large amount of serious crime to be dealt with in Ceylon may be gauged by the fact that the proportion of murders and crime generally to population in Ceylon is three times as high as in the Madras Presidency. In Ceylon a murder is committed every other day.

Steps have been taken to deal with the increase of crime in the Colony during the year by the appointment of additional officers to supervise the work of the police in the criminal Provinces and by other expedients.

A punitive police force was established at Hanwella in the Western Province. This was the first place where it was reported that the Moors were still being molested by the Sinhalese after martial law had been withdrawn.

Supreme Court sessions were held in the outlying criminal districts, with good effect. For example, in the North-Western Province sessions were held twice in Kurunegala and once in Chilaw, with marked success.

*The War.*—Since the outbreak of war 84 male and 20 female enemy subjects in the Colony have been interned. The Harbour Police detected 87 enemy subjects arriving on vessels in the harbour, all of whom were arrested and detained. 172 prisoners were removed from prize ships and interned.

#### PRISONS.

There was an increase of 5,524 in the total number of admissions of convicted prisoners of Ceylon during the year 1915, excluding Road Ordinance defaulters, of whom there were 114, as against 119 in 1914. The figures are as follows : 1914, 10,221 ; 1915, 15,745.

The increase in the number of admissions was due to the large number of prisoners committed to jail during June and July last in connection with the anti-Moorish riots. The number of rioters thus committed to prison was 5,492.

The number of prisoners sentenced to death was 156, as against 54 in 1914. There were 90 executions during the year, as against 41 in 1914. The figures for 1915 include 83 sentences of death and 34 executions as a result of Court Martial trials. Of the 90 whose capital sentences were carried out, 81 were Sinhalese, 8 Tamils, and 1 Moor. Of the number sentenced to death in 1915, 3 were hanged in 1916, and of the number hanged, 1 had been sentenced in 1914. Six convicts were deported to the Andamans for life.

There were 8 escapes and 3 recaptures during the year.

The total number of deaths in jail was 232, as against 75 in 1914; and the death-rate per 1,000 of the prisons population was 8·63, as against 4·38 in 1914 and 6·77 in 1913. The daily average of sick was 167·98, as against 80·51 in 1914 and 92·93 in 1913.

The number of punishments inflicted during the year for prison offences was 1,422, as against 885 in 1914 and 1,272 in 1913. There were 34 cases of corporal punishments, as against 19 in 1913.

Prisoners, whenever possible, are employed on public works of utility and remunerative industrial labours. At Welikada jail in Colombo and Bogambra prison in Kandy various trades are taught, such as carpentry, blacksmiths' and tinsmiths' work, boot making, cane furniture, coir mats, rugs, brooms, coal bags and string, tailoring, laundry work, bookbinding, and printing. An average of 250 prisoners is daily employed in the Government Printing Office, Colombo.

The articles manufactured are supplied to Government Departments free of charge. The demand for articles made from coir fibres and strings is great from all Government Departments since the abolition of inter-departmental payments.

The carpenters in Welikada prison have all been busily employed since August last on making the whole of the furniture required for the new Agricultural School at Peradeniya, the wood for this purpose being obtained from the Government Forest Department.

Owing to the riots it was found necessary to increase the accommodation at Mahara. This was done by utilizing the portable prison from Mankulam, and turning the meal sheds into wards for prisoners. Since July last a daily average of 1,080 prisoners has been employed there on account of the Harbour and Public Works Departments, turning out metal, rubble, and granite setts.



Similarly, additional accommodation was provided at Jaffna by the erection of a temporary prison on the Karaiur reclamation, the majority of the rioters being sent there. By this means over 1,200 prisoners have been found daily work of a remunerative nature. To obtain still further accommodation, it was decided to reopen the old jails at Ratnapura and Hambantota. At Ratnapura 100 prisoners are employed on railway extension works, while at Hambantota 250 will be employed on the salt lewayas.

At Galle, Chilaw, Anuradhapura, and Tangalla stone and metal are supplied to the Railway and Public Works Departments. Chilaw has, in addition, a party of prisoners daily employed on reclamation work on behalf of the Local Board.

At Badulla prisoners are employed on metal breaking for the Public Works Department and Local Board, with a small party on works of improvement.

The convalescents at Negombo are employed in basket making and twisting coir string, while at Batticaloa the prisoners are employed at husk beating and in improving the water supply of the town.

## X.—VITAL STATISTICS.

### POPULATION.

Estimated on the basis of the Census of 1911, the population (exclusive of the military and shipping) at the end of 1915 was about 4,424,300, an increase of nearly 107,600 on that of the previous year, due to an excess of about 51,100 births over deaths and 56,500 arrivals over departures of Indian coolies. Thus, in population, Ceylon approximates to Bulgaria, Ireland, Scotland, and Switzerland among the countries of Europe.

The population comprised the various nationalities shown below :—

Nationality.	Number.	Percentage of Total Population.
Sinhalese .. ..	2,846,400 ..	64·3
Tamils (indigenous) ..	612,100 ..	13·9
Tamils (immigrants and their descendants) ..	628,300 ..	14·2
Moors .. ..	271,600 ..	6·2
Burghers .. ..	28,000 ..	·6
Malays .. ..	13,600 ..	·3
Europeans .. ..	7,600* ..	·2
Others .. ..	16,800 ..	·4

\* Exclusive of the Europeans who left the Island for military purposes.

There are 113 males to every 100 females in the population of Ceylon, while in England and Wales the proportions are reversed, with only 94 males to every 100 females.

### MARRIAGES.

The marriages registered during the year corresponded to a rate of 14·4 persons married per 1,000 of the population at all ages, showing an increase of 2·6 on that of the previous year and of 3·1 on the average for the past ten years. This rate compares not unfavourably with that in the United Kingdom, where the average is 14·7.

### BIRTHS.

The birth-rate was 37·0 per mille, and was ·9 below the rate in the preceding year and ·2 less than the average. The proportion of births to population in Ceylon is similar to that prevailing in other tropical countries, but is considerably higher than the rate (about 26) in England and Wales, whilst being nearly double the rate in France. There were 105 male to every 100 female births, almost like the English rate.

## DEATHS.

The death-rate was 25·0 per 1,000 of the population, and was 5·8 below the average, and 7·2 below the rate in the previous year. This rate was the lowest on record since 1898, when improved registration began, with the exception of the rate in 1904, when it was only ·1 less. The average death-rate of Ceylon is generally much lower than that prevailing in the Straits Settlements; it is almost identical with the rates which obtain in Bombay Presidency, Bengal, and British Guiana; but the mortality exceeds that of Madras and Jamaica, whilst it is more than double the average annual mortality in England and Wales, and almost three times the rate in the Australian Commonwealth and New Zealand.

The tea, rubber, and cacao estates at the end of the year contained a population of about 695,271, mostly of Tamil immigrants from Southern India. The estate death-rate was 32·3, against an average of 35·4, and ranged from 20·8 in Kegalla to 54·8 in Matara.

The urban death-rate was 28·0 per mille, against 30·5 in the preceding year and 29·9 the average for the preceding six years. The rate ranged from 8·5 in Nuwara Eliya to 50·4 in Anuradhapura and 50·1 in Mullaittivu. Excluding Nuwara Eliya—the rate for which is obviously flattering, as it is calculated on the population estimated on the Census taken at the height of the Nuwara Eliya season—the healthiest town was, as usual, Kegalla, with a rate of 15·0.

*Infantile Mortality.*

171 infants under 1 year died to every 1,000 born, against an average of 195. This rate is the lowest recorded during the preceding decennium, though still considerably higher than the rate (121) in England and Wales.

The estate infantile mortality rate was 212 per 1,000 births, and the urban 237.

*Causes of Deaths in the Island.*

The proportion of deaths in the general community from certain principal causes to a million of the estimated population was as follows:—Infantile convulsions, 2,596; diarrhœa, 2,465; bronchitis and pneumonia, 1,146; phthisis and other forms of tuberculosis, 952; dysentery, 774; anchylostomiasis, 468; malaria and malarial cachexia, 390; premature birth and congenital defects, 307; cancer, 92; enteric fever, 88; and smallpox, 35.

Plague, which broke out in 1914 for the first time in the history of Ceylon, is still continuing, though the victims claimed in the year under review are very much less—about a third of the number in 1914.

108 deaths per million were due to accidental drowning, 80 to falls from trees, and 53 to snake-bite.

202 deaths resulted from suicide, and corresponded to a rate of 46 per million persons living—about half the rate in England and Wales.

342 deaths were attributed to homicide, against an average of 181. This corresponded to a rate of 77 per million—the highest ever recorded in Ceylon—and was due to the riots in June. The number of executions, too, rose to 76, from an average of 29, owing to the same cause.

*Causes of Deaths in the Estates.*

The chief causes of mortality on the estates were debility under three months of age, 3,355 per million of the estate population; debility over three months, 1,458; diarrhœa, 3,292; dysentery, 2,738; bronchitis and pneumonia, 2,696; anchylostomiasis, 2,574; infantile convulsions, 1,921; premature birth and congenital defects, 564; malaria and malarial cachexia, 510; and phthisis, 409.

*Causes of Deaths in the Towns.*

In the 33 towns in the Island (inclusive of Colombo), of the total number of deaths, pneumonia accounted for 2,986 per million of the population, phthisis and other tubercular diseases for 2,447, infantile convulsions for 2,378, diarrhoea for 2,105, malaria and malarial cachexia for 2,032, dysentery for 1,610, anchyllostomiasis for 1,211, enteritis for 1,009, bronchitis for 620, enteric fever for 534, smallpox for 217, and cancer for 142.

## PLAGUE IN COLOMBO.

There was a great improvement as regards the incidence of plague in Colombo during 1915 compared with 1914, the total number of cases reported being only 139, as against 413 during the previous year. On the other hand, and contrary to expectations, there was no diminution in the virulence of the disease, the total case mortality being 92 per cent., as in the previous year.

The following are the chief statistical data for the two years :—

	1914.	1915.
Total cases ..	413	139
Total deaths ..	381	128
Septicæmic cases ..	247	81
Septicæmic deaths ..	246	80
Bubonic cases ..	166	58
Bubonic deaths ..	135	48
Total case mortality per cent. ..	92	92
Septicæmic mortality per cent.* ..	99·6	98·7
Bubonic mortality per cent. ..	81·3	82·7

\* The septicæmic figures for each year include one recovery, in which the diagnosis of plague was not confirmed bacteriologically. If these are excluded, the septicæmic case mortality was 100 per cent. each year.

The following table shows the monthly incidence of cases during each year :—

	1914.	1915.
January ..	4	19
February ..	67	6
March ..	58	3
April ..	28	3
May ..	29	3
June ..	49	1
July ..	47	5
August ..	40	20
September ..	18	21
October ..	23	24
November ..	24	10
December ..	26	24
Total ..	413	139
Monthly Mean ..	34	11·5

As in the previous year, the largest number of cases occurred amongst young adults, males being attacked much more frequently than females.

During 1915, as was also the case in 1914, the chief focus of infection as regards both rat and human plague was situated in the Sea street area. During 1914 there were, in addition to the Sea street centre, three other outbreaks, viz., in Union lane, Symonds road, and San Sebastian areas. During 1915, on the other hand, none of these areas suffered, except for a few sporadic cases in San Sebastian. It may be said, in fact, that during 1915 there was only one endemic centre, viz., the Sea street area, all the other cases in the town being sporadic.

The comparative absence of the usual signs of an epizootic amongst the rats, which was such a striking feature of the 1914 experience, was repeated in 1915.

In like manner, the extraordinary precision with which the disease selected, and in fact was, so far as the people are concerned, confined to the most insanitary quarters of the town, was observed in 1915 also.

With a view to limiting the danger associated with insanitary rat-infested wholesale grain stores situated in the heart of the town and surrounded by dwellings, the Government took steps to erect a series of rat-proof rice stores in the Racquet Court (the Chalmers' granaries), which are under official control. The transport of rice from the private godowns in the town to estates up-country was at the same time forbidden, unless it was previously exposed for two hours in the sun.

The same preventive measures as hitherto were carried out, reliance being placed chiefly upon isolation of patients, segregation of contacts, evacuation of insanitary tenements in infected localities pending the carrying out of structural improvements, pesterining of infected houses, capture and destruction of rats, including the fumigation of rat runs by Clayton machine. Inoculation with anti-plague vaccine has not become a popular measure, and very few people have undergone the operation.

#### *Rat Catching.*

	1914.		1915.
Number of rats trapped and found dead	142,015	..	147,198
Number of poison baits placed	2,298,035	..	3,913,944
Number of poison baits eaten or removed by rats	427,362	..	734,697
Number of rats sent to Municipal Bacterio- logist	17,163	..	23,187
Number of rats found infected	250	..	57

#### CLIMATE.

*General Remarks.*—There is a marked variation in climate between the different parts of Ceylon. In the low-country, with a mean temperature of the order of 80° F., a noticeable feature is the small range of both temperature and pressure; there is, however, wide divergence between the moist conditions in the south-west of the Island, where the average annual rainfall varies from 100 to 200 inches, and the dry zone areas of the north, north-west, and south-east.

Inland, with altitudes reaching 8,000 feet, the temperature is cooler, and shows a bigger range; there is a corresponding change in vegetation, and the conditions are altogether more akin to those in the temperate zone.

*Rainfall.*—The highest annual rainfall registered was at "Carney estate," Ratnapura, which had a total of 266·82 inches and 212 days on which rain fell. The lowest annual rainfall was at Mantota, in Mannar, which had a total of 25·85 inches in 39 days. The stations with the highest and lowest average annual rainfall are, respectively, Padupola with 220·25 inches in 202 days, and Marichchukkaddi with 33·03 inches in 56 days. The longest drought occurred at Kalpitiya, lasting for 85 days, June 27 to September 19. The longest wet period occurred at Padupola estate, near Dikoya, lasting for 47 days, April 11 to May 27.

The annual rainfall at Colombo (Cinnamon Gardens) was 96·81 inches in 192 days. At Kandy 91·33 inches were registered in 193 days, while the annual rainfall at Nuwara Eliya was 91·88 inches in 206 days. On the whole, the annual rainfall was much in excess of that of the average in the south-west, in slight excess up-country, and in deficit elsewhere.

*Temperature.*—The station showing the highest mean shade temperature for the year was Trincomalee with 84·4° F., and the lowest Nuwara Eliya with 60·7° F. The figures for Colombo and Kandy were 81·0° F. and 77·1° F., respectively.

The highest shade temperature recorded during the year was 101·6° F. at Trincomalee on May 25. The highest on record is 103·7° F. at Trincomalee on May 12, 1890. The highest shade temperature at Colombo in 1915 was 97·2° F. on February 23.

The mean daily range, *i.e.*, the difference between the mean of the maximum and the mean of the minimum, was highest at Nuwara Eliya (19·1° F.) and lowest at Galle (8·0° F.). At Colombo and Kandy it was 12·0° F. and 14·9° F., respectively. The absolute range for the year, *i.e.*, the difference between the highest and the lowest readings actually recorded, was greatest at Nuwara Eliya (44·3° F.) and least at Galle (21·1° F.).

## XI.—POSTAL SERVICE.

Eight new post offices and 6 new receiving offices were opened during 1915. Fourteen post offices were converted into combined post and telegraph offices, and 11 receiving offices were closed. The total number of post and receiving offices now is 508, of which 181 are also telegraph offices.

The number of articles, exclusive of parcels, which passed through the post in 1915 is estimated at 46½ millions, as against 49½ millions in 1914 and 46½ millions in 1913. The number of parcels dealt with was 717,817, an increase of 12,158 over the figures of the previous year. Of these, 36,825 were to or from the United Kingdom.

There has been a decrease in the number of telegrams dealt with, as will be seen by the following figures :—

	1914.	1915.
Inland .. .. .	1,028,846	971,620
Indian .. .. .	236,613	225,625
Other countries .. .. .	114,736	110,357

In 1913 the number of inland telegrams was 916,578.

*Mail Services.*—A contract was entered into for a motor mail service between Polgahawela and Kegalla.

The motor mail route from Matara to Hambantota was diverted at Dikwella from the main road to the Dikwella-Beliatta-Tangalla road, and the runner service between Tangalla and Beliatta was discontinued.

*Parcels Services.*—An agreement was entered into for a direct exchange of parcels between Ceylon and Mozambique (Portuguese East Africa) in place of the service *viâ* India, but has been suspended for want of suitable communications owing to the war.

The parcel post rates for New Zealand were increased from Re. 1·50, Rs. 2·25, and Rs. 3 to Rs. 2, Rs. 3, and Rs. 3·75, to cover the more expeditious overland transit in Australia.

The rates to Sweden were reduced from Rs. 2·25, Rs. 3, and Rs. 3·75 to Re. 1·35, Rs. 2·35, and Rs. 3·35.

*Stamps.*—Rolls of 500 postage stamps of 2 and 5 cents denominations, suitable for inserting in stamp-affixing machines, were introduced during the year, and were sold at the face value.

*Telegrams.*—Arrangements were made for acceptance of special week-end letter telegrams at quarter rates, without a minimum number of words, for transmission to soldiers, sailors, and nurses serving with His Majesty's Forces in the United Kingdom, France, Belgium, Egypt, Gibraltar, Malta, the Persian Gulf, and all British possessions outside of Europe (except Hong Kong) where such Forces were employed.

A service of free telegraphic inquiries regarding officially reported sick or wounded members of His Majesty's Forces serving in the countries above named (as well as Gibraltar and Malta) was also introduced.

*Telephones.*—The main trunk line was duplicated between Colombo and Polgahawela and Kandy and Gampola. A trunk line between Kalutara Government Exchange and Neboda Planters' Exchange was completed, and also one between Colombo and Negombo. The Panadure-Bandaragama-Horana-Ingiriya telephone-telegraph circuit was completed during the year.

Call offices were opened at the following places :—Law Courts (Colombo), Kelaniya, Gampola, Negombo, Polgahawela, Ambalangoda, Mutwal.

Junction lines were constructed by the Department between private exchanges : (1) Galaha to Hewaheta, (2) Kandapola to Ragalla.

Two licenses for planters' telephone exchanges were granted during the year : (1) Maturata, (2) Deniyaya.

## XII.—PUBLIC WORKS.

### PUBLIC WORKS DEPARTMENT.

The total expenditure of the Public Works Department has increased from Rs. 3,437,862 in 1896 to Rs. 8,044,211 in 1915, the latter figure showing a decrease of Rs. 6,623,756 below 1914. The average annual expenditure during the past twenty years is Rs. 5,642,110.

The total length of roads maintained by the Public Works Department during the year was 4,014 miles, of which 3,802 miles are cart roads and 212 miles are bridle roads.

Among the more important works which have been completed or were in course of construction may be mentioned the following :—Bungalows for Government officers stationed in Colombo ; erection of grain sheds, Colombo ; Colombo Lake Development project ; Colombo Customs quay wall and jetties ; extension to Custom-house ; quarters and office for District Engineer, Panadure ; quarters for Assistant Superintendent of Police, Kalutara ; police station and barracks, Panadure ; quarters for District Engineer, Kalutara ; residence for Colonial Secretary, Nuwara Eliya ; Post Office, Nanu-oya ; District Judge's quarters and Government bungalow, Hatton ; married quarters for police, Gampola ; quay wall and export shed, Galle Customs ; additional jetty, Galle Customs ; quarters for Police Magistrate, Matara ; reconstruction of Kananke bridge ; Government buildings, Talaimannar ; Police Office and quarters for Sub-Inspector, Jaffna ; Post Office, Jaffna Kachcheri ; Leper Asylum, Eastern Province ; Batticaloa waterworks ; officers' quarters, Batticaloa prison ; additions to police barracks, Batticaloa ; residence for Provincial Surgeon, Kurunegala ; police barracks, Kurunegala ; quarters for Public Works Department clerks, Kurunegala ; Public Works Department buildings, Maho ; administration block, Marawila hospital ; clerks' quarters, Anuradhapura ; quarters for jail guards and Sub-Inspector of Police, Badulla ; new resthouse, Ratnapura ; new office for Provincial Surgeon, Sabaragamuwa ; quarters for police at Avissawella ; additions to hospitals at Matala, Kegalla, Kolonna, Lunugala, and Dambulla ; new hospitals at Pimbura, Passara, Alutnuwara, Kitulgala, and Kahawatta ; and various roads and bridges.

### IRRIGATION.

The total expenditure of the Irrigation Department for the financial year 1914-15 was Rs. 792,661.

The schemes under construction were Karachehi, Unnichehai, Pattipola-aar, Kirinde-oya right bank, and Tabbowa. Work on the last-named scheme was closed down temporarily at the end of the financial year.

Surveys were made in connection with the following schemes :—Kirinde-oya right bank, Walawe left bank, Nalanda-oya, Karachchi, Unnichchai, Pattipola-aar, Batticaloa flood prevention, Kantalai, Allai, and Nachchaduwa.

The area irrigated and paying rate under the Crown works is 123,710 acres ; in addition, there is a large area irrigated free. A considerable area of irrigable land is ready for development.

#### SURVEY.

During the year under review a considerable reduction in the staff and expenditure was effected owing to the war.

25,930 acres of block surveys and 129,727 acres of "topographical surveys with block survey insets for settlement purposes" were surveyed.

The number of block survey preliminary plans issued was 176, containing 6,867 lots, covering an area of 58,474 acres. The number of topographical preliminary plans issued with block survey insets for settlement purposes was 4, containing 121 lots, covering an area of 111,593 acres.

The total areas now covered by block survey and by "topographical surveys with block survey insets for settlement purposes" are 2,059,414 acres and 1,015,668 acres respectively, making a total area of 3,075,082 acres issued for settlement.

175 final village plans for 68,026 acres in 3,337 lots were issued to the Government Agents and the Assistant Government Agents during the year. The total area covered by final village plans in the hands of the Government Agents and their Assistants now stands at 645,579 acres contained in 22,528 lots, or 1,579 final village plans.

1,274 preliminary plans for 22,010 acres in 5,267 lots were forwarded to the Government Agents and the Assistant Government Agents. Fifty-five railway settlement survey plans for 758 acres in 1,559 lots were forwarded to the Settlement Officer.

There have been 21 applications to purchase Crown lands for rubber cultivation dealt with during the period, totalling 808 acres. Most of them lie in the Western and Central Provinces.

Surveys have been continued in connection with the Bandarawela-Badulla railway extensions.

#### RAILWAY DEPARTMENT.

##### *Open Line.*

The length of the line open for traffic on September 30, 1915, was 692½ miles, as against 672 miles in the preceding year. The increase is due to the opening of a section of the line to Chilaw on June 1, 1915.

The revenue for the year, exclusive of a sum of Rs. 745,682, being the value of work done for other Government Departments, is Rs. 15,693,563, but for purposes of comparison with previous years the total revenue is taken as Rs. 16,439,245. This figure compared with 1913-14 shows a decrease of Rs. 96,046, made up of a decrease of Rs. 445,754 under the head of "Coaching," and increases of Rs. 330,121 and Rs. 19,587 under the heads of "Goods and Live Stock" and "Miscellaneous," respectively.

The number of passengers conveyed during the year has considerably fallen off, the decrease being 1,351,507 passengers. As regards goods traffic, the total tonnage of all classes of goods, including foreign traffic, shows an increase of 43,721 tons. The most noticeable increases are under the head of rubber 5,013 tons, tea 15,552 tons, coconut produce 3,893 tons, tea and rubber packing 5,917 tons. The working expenses, including a sum of Rs. 27,295 expended on maintenance works, amount to Rs. 8,087,156.

The result of the year's working is as follows :—

			Rs.
Receipts	..	..	15,693,563
Working expenses	..	..	8,087,156
Balance..	..	..	7,606,407

Of this profit on working, a sum of Rs. 1,458,626 was expended on improvements, and a further sum of Rs. 193,187 on new works and rolling stock. During the year 18 passenger and 186 new goods vehicles, including a number of tank wagons, were put into traffic. The total capital cost to September 30, 1915, including additional accommodation and improvements, amounts to Rs. 125,735,236, and capital outstanding on railway loans to Rs. 56,072,776.

### *Railway Extensions.*

The work on the Chilaw line during 1915 was approaching completion, and on June 1 the railway up to Kochchikade was opened for all descriptions of traffic, and the stations at Nattandiya and Madampe were opened for goods traffic only.

Steady progress was made with the Pelmadulla and Badulla Extensions, especially on the sections between Ratnapura and Dela and between Bandara-wela and Ella.

Work is in progress on the Colombo Stations Extensions, and during the year a large broad gauge goods shed and connecting sidings were brought into use by the open line of railway. Earthwork is in hand on the Main line duplication between Ragama and Veyangoda.

In December, 1915, the survey of the line from Chilaw to Puttalam was commenced, and the survey connecting the harbour line with the railway *via* Mutwal was completed.

### **DRAINAGE WORKS.**

The drainage of Colombo has been undertaken by Government at the request of the Municipal Council, the necessary funds being advanced by Government on loan, while further assistance is being given by the contribution of a part of the expenditure as a free grant.

The scheme provides for a complete system of sewers and rain-water drains throughout the city, and for the disposal of the sewage by bacterial treatment upon modern lines.

At the end of 1915 115 miles of sewers and rain-water drains had been laid, and 5 pumping stations brought into regular operation.

The City Sanitation Engineer's report for December showed that 24 public water-carriage latrines had been constructed and put into use, and that 884 other premises had been drained.

## **XIII.—EXCISE.**

No change of any radical nature was introduced during the year under review. The policy inaugurated in previous years of sternly repressing illicit practices and supervising licensed premises more closely than before was pursued in 1915.

The strength of the sanctioned staff was practically the same as in the previous year, viz., 1 Excise Commissioner, 1 Deputy Commissioner of Excise, 1 Excise Adviser, 4 Assistant Commissioners of Excise, 1 Superintendent of Excise, 14 Assistant Superintendents of Excise, 100 Inspectors, 223 Peons.

The Acting Excise Commissioner continued throughout 1915 to perform the duties of Deputy Commissioner of Excise in addition to his own.



Mr. E. H. J. Eames, lately Excise Adviser to the Ceylon Government, who was lent by the Government of India, returned to India at the end of June on the expiry of his term. He was succeeded by Mr. E. C. Ward, also of the Madras Salt and Abkari Department.

The work of the staff in the detection of offences against the Excise law has been satisfactory. In 1915 2,575 cases were decided in the courts, resulting in fines amounting to Rs. 121,268·47, besides other punishments, such as imprisonment. Moreover, some cases were settled departmentally by recovery of "composition fees"; these fees amounted in 1915 to Rs. 21,509·55.

The financial results as evidenced by the sale of arrack and toddy rents and by the fees recovered on foreign liquor licenses were satisfactory, though the war affected some rents. Various remissions were allowed, because the renters at the time of bidding for the rents could not anticipate the war in which the Empire is now involved. The war has caused a fall in consumption of liquor generally.

Some 247 licenses were issued in 1915, as against 256 in 1914, for the working of distilleries.

Efforts have been made, with very considerable success, towards the detection, punishment, and suppression of illicit practices at and in connection with these distilleries.

As is well known, the large number of these distilleries, and the fact that they are scattered along a section of coast about 100 miles in length, make adequate supervision practically impossible under existing circumstances.

Government has approved the establishment of a distillery for distillation of non-potable alcohol by private enterprise. Two inspectors have been sent to India for a short course of training in distillery work. They will be appointed to supervise the distillery on their return.

New forms of passes and licenses have been prescribed for the import, transport, and sale of cocaine, and trade in cocaine is now to be brought under close supervision. It is recognized that timely efforts should be made for preventing the spread of the cocaine habit in Ceylon.

April, 1916.

E. SUETER,  
Third Assistant Colonial Secretary.



## COLONIAL REPORTS, &c.

The following recent reports, &c., relating to His Majesty's Colonial Possessions have been issued, and may be obtained from the sources indicated on the title page:—

### A N N U A L.

No.	Colony, &c.	Year.
869	British Solomon Islands .. .. .	1914-1915
870	Tongan Islands Protectorate .. .. .	"
871	Barbados .. .. .	"
872	Falkland Islands .. .. .	1914
873	Uganda .. .. .	1914-1915
874	British Guiana .. .. .	"
875	Mauritius .. .. .	1914
876	Leeward Islands .. .. .	1914-1915
877	Trinidad and Tobago .. .. .	"
878	Nigeria .. .. .	1914
879	Cayman Islands .. .. .	1914-1915
880	St. Lucia .. .. .	"
881	East Africa Protectorate .. .. .	"
882	Imperial Institute .. .. .	1914
883	Nyasaland .. .. .	1914-1915
884	Gilbert and Ellice Islands .. .. .	"
885	Wei-hai-wei .. .. .	1915
886	Zanzibar .. .. .	"
887	Fiji .. .. .	"
888	Sierra Leone .. .. .	"
889	Turks and Caicos Islands .. .. .	"
890	Gambia .. .. .	"
891	Trinidad and Tobago .. .. .	"
892	Hong Kong .. .. .	"
893	Ashanti .. .. .	"
894	Gold Coast .. .. .	"
895	Malta .. .. .	1915-1916
896	St. Helena .. .. .	1915
897	Seychelles .. .. .	"
898	Bechuanaland Protectorate .. .. .	1915-1916
899	Gibraltar .. .. .	1915
900	Bahamas .. .. .	1915-1916
901	Swaziland .. .. .	"
902	Somaliland .. .. .	1915-1916
903	Cyprus .. .. .	"

### M I S C E L L A N E O U S.

No.	Colony, &c.	Subject.
79	Northern Nigeria .. .. .	Mineral Survey, 1907-8 and 1908-9.
80	Nyasaland .. .. .	Mineral Survey, 1908-9.
81	Southern Nigeria .. .. .	Mineral Survey, 1908-9.
82	Imperial Institute .. .. .	Rubber and Gutta-percha.
83	Southern Nigeria .. .. .	Mineral Survey, 1910.
84	West Indies .. .. .	Preservation of Ancient Monuments, &c.
85	Southern Nigeria .. .. .	Mineral Survey, 1911.
86	Southern Nigeria .. .. .	Mineral Survey, 1912.
87	Ceylon .. .. .	Mineral Survey.
88	Imperial Institute .. .. .	Oilseeds, Oils, &c.
89	Southern Nigeria .. .. .	Mineral Survey, 1913.
90	St. Vincent .. .. .	Roads and Land Settlement.

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# COLONIAL REPORTS—ANNUAL.

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No. 934.

CEYLON.

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REPORT FOR 1916.

(For Report for 1915 see No. 904.)

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Presented to Parliament by Command of His Majesty.

October, 1917.

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## CONTENTS.

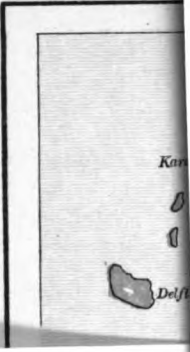
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### Map of Ceylon,

	PAGE
I.—General .. .. .	1
II.—Financial .. .. .	3
III.—Agriculture and Industries .. .. .	4
IV.—Trade .. .. .	8
V.—Shipping .. .. .	15
VI.—Legislation .. .. .	17
VII.—Education .. .. .	18
VIII.—Government Institutions .. .. .	20
IX.—Crime .. .. .	21
X.—Vital Statistics .. .. .	24
XI.—Postal Service .. .. .	27
XII.—Public Works .. .. .	29
XIII.—Excise .. .. .	31









## REPORT ON THE CEYLON BLUE BOOK FOR 1916.

### I.—GENERAL.

THE Colony was administered by Mr. R. E. Stubbs, C.M.G., until April 15, on which date Sir John Anderson, G.C.M.G., K.C.B., arrived and assumed duties as Governor.

Mr. Anton Bertram, K.C., Attorney-General, received the honour of Knighthood, and the Companionship of the Most Distinguished Order of St. Michael and St. George was conferred on Mr. Bernard Senior, I.S.O., Colonial Treasurer, and on Brigadier-General H. H. L. Malcolm, C.B., D.S.O., who had been Officer Commanding the Troops in Ceylon from 1913 to 1915.

The Imperial Service Order was conferred on Mr. W. C. Macready, Assistant Postmaster-General.

The following retired from the Public Service during the year :—Mr. J. Harward, Director of Education ; Mr. R. N. Lyne, Director of Agriculture ; Mr. D. S. Corlett, Superintendent of the Experimental Station, Peradeniya ; Mr. G. W. Waddell, Deputy Director of Public Works (proceeded on leave preparatory to retirement) ; Mr. W. C. Macready, Assistant Postmaster-General ; Mr. F. Booth, Chief Irrigation Inspector ; Mr. T. C. Campbell, of the Pilot Service ; and Mr. W. A. Taylor, Colonial Storekeeper.

The deaths of the following are recorded with regret :—Mr. E. B. F. Sueter, Third Assistant Colonial Secretary, by drowning ; Second Lieutenant A. H. Pinder, of the Ceylon Civil Service (on active service) ; Mr. A. H. Clark, retired Assistant Conservator of Forests ; Mr. W. G. Martin, retired Assistant Superintendent of Prisons ; Sir Cecil Clementi Smith, K.C.M.G., formerly Colonial Secretary ; Mr. R. B. Strickland, late Assistant Director of Education ; Mr. G. W. Templer, formerly Government Agent of the Eastern Province ; Mr. H. Thwaites, formerly Registrar of the Supreme Court ; Mr. G. H. Withers, retired Puisne Judge ; Mr. W. A. Taylor, Colonial Storekeeper ; and the Hon. Mr. J. N. Campbell, formerly European Member of the Legislative Council.

Mr. C. W. van der Wall was elected to represent the Burgher community in the Legislative Council, in succession to the late Sir Hector van Cuylenburg.

The constitution of the Legislative Council was altered with respect to the number of Official Members who hold their seats *ex officio*. These were reduced to five, the remaining Official Members being such six other persons holding office in the Island as the Governor may from time to time appoint.

Commissions were appointed during the year for the following purposes :—

- (1) To inquire into and report upon what measures are desirable to encourage such industries (other than agricultural) as exist in this Island, and to promote the establishment of new industries.
- (2) To consider the arrangements for the manufacture and sale of spirits in the Colony.
- (3) To inquire into and report upon the existing provision for, and machinery of, local government in the rural areas of the Island in regard to matters of sanitation, education, and communications, and to advise as to what steps it is desirable to take for their improvement.

- (4) To inquire into and report with regard to certain questions of Kandyan law.
- (5) To inquire into and report upon the circumstances connected with the shooting of certain persons during the riots of 1915.

Committees were appointed for the following purposes :—

- (1) To consider (a) whether it is desirable that a system of compulsory training for British-born Europeans should be established in Ceylon ; and (b) if so, what should be the general outlines of such a system.
- (2) To consider the terms and conditions on which land should in future be leased for agricultural purposes.
- (3) To consider and report on the general question of the cultivation of paddy and other agricultural food products in the tank districts of the Island.

Despite the continuance of the war, the condition of the Island has remained, on the whole, prosperous during 1916. The partial failure of two successive north-east monsoons has, however, led to a shortage of paddy and to restriction of paddy cultivation in parts of the North-Central, North-Western, and Eastern Provinces.

The prices of food stuffs and of imported articles have risen owing to the war.

The prices of coconuts and of the products of the coconut palm have continued low. Restricted freight and the restrictions on exports have checked the demand for these products. The exports of coconut oil and coir yarn show a notable decrease compared with the figures for 1915. In Colombo a number of fibre and desiccating mills were closed down during the year. In spite, however, of low prices and partial stagnation of the industries depending on the coconut, a fair amount of new plantation has been done, a fact which indicates the large profits obtainable from coconut growing. In the Kurunegala District the area under coconuts was increased by as much as 15,000 acres during 1916.

The stagnation in the coconut industries has been largely counterbalanced by the flourishing condition of the plumbago industry. The price of plumbago reached a record figure during the year, and the great demand for this product gave employment to many low-country people. In the Galle District alone no less than 3,087 declarations of intention to prospect for plumbago were received during the year.

The planting of rubber is being increasingly undertaken by native land-owners ; and a certain amount of land formerly cultivated for paddy has been planted in rubber.

No serious outbreaks of epidemic disease occurred during the year, except plague in Colombo, particulars of which are given under a separate heading.

The statistics show a certain decrease in serious crime throughout the Island as compared with 1915, even leaving out of account crimes connected with the riots of that year. It is probable, however, that the reaction from the riots of 1915 had not spent itself during the year under report ; moreover, police supervision is being continually improved and extended. It cannot yet be said with confidence that the advance of education has been attended by a diminution in crime.

A continued improvement in the standard of living and of comfort is reported from almost all districts of the Island, despite the rise in price of many of the articles and products which an improved standard demands.

Colombo and the neighbouring coast were visited by a severe storm on July 18, which resulted in the loss of 77 fishermen and of a number of fishing boats. Prompt measures were taken both by private persons and by the public authorities to alleviate the consequent distress.

The new railway extension from Negombo to Chilaw was opened by His Excellency Sir John Anderson on May 1.

The Anti-Tuberculosis Institute, which was erected in Colombo as a memorial to His late Majesty King Edward VII., was made available for public use.

The campaign against anchylostomiasis, which was started by the International Health Commission of America (Rockefeller Foundation), was continued within a certain area in the Matale and Kandy Districts, and, it is hoped, will shortly be extended to other planting districts. Rules have recently been framed enforcing the provision of adequate and sanitary latrine accommodation, an indispensable step towards the eradication of this very widespread disease. The results of the campaign have been very encouraging.

The co-operative credit movement made progress during the year. Fourteen new societies were registered, bringing the total to 68, and the total membership is now 6,488, an increase of 2,230 over the figure for 1915. The movement is still in the experimental stage, and comparatively few of the societies have as yet made any considerable use of the opportunities which co-operation affords.

Owing to the depressed market for cardamoms, the export duty on this product was repealed.

The Volunteer Force again bore a considerable share of the military duties connected with the defence of the port of Colombo. The total strength of the Force was very little less than in 1915, despite the number of men who left the Island for war service. The efficiency of the Force has been maintained. Camps were held for the Ceylon Mounted Rifles, Ceylon Planters' Rifle Corps, Ceylon Light Infantry, and for a company of the Colombo Town Guard. Other corps were mobilized and performing active service duties.

A Motor Cyclist Corps was formed during the year, and a Volunteer Signalling Association was started, which is doing valuable work.

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## II.—FINANCIAL.

### REVENUE.

The revenue collected during the period October, 1915, to September, 1916, amounted to Rs. 66,013,010, showing an excess of Rs. 15,003,360 over the estimate, and an increase of Rs. 14,467,538 over the revenue of the previous financial year.

The principal sources which contributed to the increase were the Customs, Excise, and Railway. The new export duties levied from January 1, 1916, brought in a revenue of Rs. 6,780,300. The increase also includes a sum of Rs. 1,425,000 realized by the sale of the dredger "Sir William Matthews" and brought to account under "Miscellaneous Receipts."

### EXPENDITURE.

The expenditure for 1915-16 was estimated at Rs. 54,679,216, but the amount actually spent was Rs. 56,104,514, which shows an increase of Rs. 5,956,513 over the expenditure of 1914-15. The increase is chiefly due to the Ceylon war contribution to the Imperial Government and the additional Government grant to the Colombo Municipal Council for Drainage Works.

### ASSETS AND LIABILITIES.

The assets of the Colony on September 30, 1916, were Rs. 51,674,812, and the liabilities Rs. 16,577,608. The assets consist largely of advances to local bodies, and in particular to the Municipality of Colombo, the principal item among the liabilities being the Widows' and Orphans' Pension Fund.

## PUBLIC DEBT.

At the close of the financial period the public debt of the Colony stood at £5,656,751, or, approximately, one and a third times the annual revenue.

Of the loan of £3,436,854 authorized by Ordinance No. 6 of 1909 to meet the cost of the Colombo Harbour and Drainage Works, the Mannar Railway, and other public works, a sum of £1,500,000 was raised at 98½ in 1909-10 bearing interest at 3½ per cent., and a further sum of £1,000,000 was floated in 1914 at 99 bearing interest at 4 per cent. A balance (£25,872) of the latter loan has been carried forward to meet expenditure in 1916-17.

## CURRENCY.

On September 30, 1916, the value of currency notes in circulation was Rs. 27,885,000, and the currency reserve on that date consisted of Rs. 3,502,500 in gold, Rs. 9,221,200 in silver, and Rs. 15,161,300 in British, Colonial, and Indian investments.

## CEYLON SAVINGS BANK.

The Ceylon Savings Bank had a sum of Rs. 4,107,917 to the credit of 38,899 depositors on December 31, 1916, as against Rs. 4,115,634 to the credit of 38,827 depositors on December 31, 1915. The amount of the Bank's invested funds on December 31, 1916, was Rs. 4,653,885, which includes the reserve fund Rs. 686,634. Interest was allowed on deposits at the rate of 3 per cent. on sums of Rs. 1,000 and over and 4 per cent. on sums under Rs. 1,000.

## III.—AGRICULTURE AND INDUSTRIES.

## AGRICULTURE.

*The Ceylon Agricultural Society.*—This Society, started in 1904, has 920 local members and 530 foreign subscribers. The subscription payable by local members is Rs. 10 and by foreign subscribers Rs. 15 (£1) per annum.

The “Tropical Agriculturist,” the Society's journal, is published monthly and issued free to members, in addition to an Agricultural Year Book published every other year.

The vernacular magazines, also issued monthly in Sinhalese and Tamil, are distributed free to members. Leaflets are published from time to time on special subjects.

Seeds and plants are procured for members at cost price; while periodically vegetable seeds are imported for each planting season. Grafted fruit plants from Australia and India required by members are also procured at cost price.

The Society employs nine agricultural instructors, who itinerate in the various Provinces and afford advice and instruction to native cultivators, who have every facility for securing information regarding control of plant diseases, crops, tillage, manuring, &c.

Seven demonstration gardens in different centres are being worked.

The advice and assistance of the scientific staff of the Department of Agriculture is freely available for members of the Society.

*School of Tropical Agriculture.*—The school was formally opened on January 15, 1916. In the daily programme the mornings are devoted to fieldwork, and the afternoons to classroom work. During tillage, sowing, and reaping operations, however, the whole day is spent in fieldwork; while at the termination of field operations, near the conclusion of the session, the whole day is given to revision classes.

The school staff consists of a Registrar and four agricultural teachers, who hold the Diploma of the Poona Agricultural College. These teachers carry out the groundwork in all subjects. The field demonstrations in horticulture and planting were in the charge of the Curator, Royal Botanic Gardens, and the

Manager, Experiment Station, Peradeniya, respectively. The members of the Scientific Division of the Department also gave special lectures. A special course of work, theoretical and practical, in tobacco cultivation was conducted in Jaffna. The number of students admitted during the year was 77.

Two hostels have been equipped for the residence of students under adequate supervision. In them 32 students were accommodated. As this was found insufficient, houses in the neighbourhood were recognized for residence of students; and these houses were regularly inspected. The health of the students was, on the whole, good.

The school has issued the first number of a magazine called "The Peradeniyan." It is hoped to make this the medium of all communications from students past and present. The school has, further, a debating society for the discussion of agricultural subjects.

*Tea.*—The area planted in tea is approximately 392,500 acres, and ranges from the tropical climate at sea level to the semi-tropical or temperate climate at 7,000 feet elevation. The estates are managed almost entirely by European managers, and worked with Tamil labour imported from Southern India.

The estates vary in size from 100 acres to about 2,500 acres, the average being about 400 acres, yielding an average outturn of 485 lb. of made tea per acre. Well-cultivated estates yield more heavily, an average of 600 to 800 lb. being frequent.

The year 1916 was, on the whole, favourable for tea, but in some districts the first two months of the year were exceedingly dry, and therefore there was a slight falling off in yields. Prices ruled high, and good profits were realized.

Considerable modifications were made in the manuring of tea during 1915 and 1916 owing to the impossibility of obtaining potash salts, which had been largely employed in manure mixtures for several years. The lack of potash has not so far affected crops, heavier liming and better cultivation having been carried out to utilize more fully the reserve potash in the soil.

The removal of tea from under rubber in the low-country continues, but other areas are being opened up on patana soils in the uplands.

The average prices are as follows :—

1914	..	..	..	46·35 cents per lb.
1915	..	..	..	56·79 cents per lb.
1916	..	..	..	51·79 cents per lb.

*Rubber.*—The output of rubber has again shown a considerable increase. Young plantations are coming into bearing, and older ones have shown increased yields through better cultivation and more careful tapping.

The area under Hevea rubber is now approximately 240,000 acres. There are some small plantings being carried out, but the lands most suited to rubber have already been planted. Some low-country tea is being interplanted with rubber with a view to removal of the tea at a later date, but, similarly, inferior up-country rubber is being replaced by tea.

Thinning operations are now general, and will probably induce conditions less favourable for the development of fungus diseases. A serious outbreak of pod disease and leaf-fall occurred in August, 1916, as a consequence of the continuance of heavy monsoon rains during that month, but steps are being taken by estate authorities to reduce disease to a minimum.

The greater part of Ceylon rubber is shipped as crêpe, though a certain amount of smoked sheet and biscuit is also made. Prices have been satisfactory during the year, the average price being Re. 1·79 per lb.

*Cacao.*—The cacao-growing area ranges from 500 to 1,800 feet above sea level, and is chiefly in the Kandy and Matale Districts. There are approximately 22,000 acres under cacao, mostly in the hands of European planters, but there is also a fair acreage of native gardens. Very few new plantations are being opened.



The failure of the north-east monsoon in the early part of the year affected the spring crop, and therefore the exports show a decided fall, below those of the previous year.

The average prices are as follows :—

1914	..	..	..	Rs. 37·76 per cwt.
1915	..	..	..	Rs. 37·48 per cwt.
1916	..	..	..	Rs. 38·57 per cwt.

*Coconuts.*—The coconut crop of 1916, owing to the well-distributed rainfall of the previous year, was higher than the crop of 1915, but the exports were somewhat less, owing to the considerable fall in prices during the latter part of the year and to shortage of freight.

There are now over 1,000,000 acres under coconuts in the Colony, and there have been considerable plantations during the past few years. During 1916 a fairly large area of new land was opened out under coconuts, the greater portion being on cinnamon soil.

*Cinnamon.*—During the year the cinnamon industry suffered very severely owing to low prices, and there was no market at all for the finer grades of quills. Consequently the whole crop of the year remains with the producers unsold.

Exports of ordinary grade cinnamon quills amounted to 2,176,970 lb., as against double the quantity in 1915. The prices obtained ranged from 25 to 30 cents per lb., which is more or less the cost of production.

The export of cinnamon chips (unquilled bark) was larger than in 1915, a large quantity of chips being available from areas which have been uprooted to make way for coconuts.

*Cardamoms.*—The export showed a considerable drop as compared with the previous year.

*Citronella Oil.*—There was a greater export of citronella oil, but the acreage under this grass remains stationary.

*Vanilla.*—An interest in this product is being re-awakened, and its cultivation has been begun upon several estates.

*Native Products.*—Normal conditions prevailed during the year. In some districts the drought at the beginning of the year resulted in a small (rice) paddy crop, but the shortage was not serious.

#### CATTLE.

*Rinderpest.*—Outbreaks occurred in six Provinces, and three remained free. The decrease recorded last year continued throughout 1916. The total number of cases for the year was 856, against 1,493 last year.

*Foot-and-mouth Disease.*—Outbreaks occurred in six Provinces, and three remained free. The total number of cases, including Colombo town and quarantine station, was 284, against 2,366 last year.

*Surra.*—Four cases were detected in the Province of Uva. Two of the animals died, and two were shot.

*Anthrax.*—Twenty deaths occurred from this disease in three Provinces (Western, Central, and North-Central). The disease is very prevalent amongst goats and sheep imported from India, and 1,196 of these animals died at the quarantine station out of 76,820 imported.

*Swine Disease.*—The outbreak referred to in 1915 continued during the early part of the year in the Western and North-Western Provinces. Western Province: 254 cases; 254 animals died, of which 7 were shot. North-Western Province: 20 cases; 20 animals died, of which 3 were shot. The outbreak ended in July.

## SALT.

The manufacture and collection of salt is a Government monopoly. Salt is sold to purchasers from all Government salt stores at Rs. 3 per cwt.; the amount realized by its sale in 1916 was Rs. 1,716,792·58, as compared with Rs. 1,800,856·22 in 1915 and Rs. 1,582,178·89 in 1914.

The year was not favourable for the production of salt, as wet weather interfered with the manufacture during the usual salt-producing season. There was, on the other hand, an unexpected collection of over 105,000 cwt. in the salt lewayas of Hambantota District during the first quarter of the year, in which period there are ordinarily no collections. There was no collection of natural salt in the lewayas of the Northern Province, except at Mattalan, in the Mullaithivu District, as the formations were dissolved by untimely rains. At Nilaveli, in the Trincomalee District, manufacture failed entirely, and the harvest at Puttalam, the largest salt centre, was not satisfactory. Though no restriction was placed on the output, the total yield for the Island amounted only to 298,799 cwt. The quantity secured in 1915 was 295,965 cwt. and in 1914 522,350 cwt. The best output was in 1910, when the total reached 759,396 cwt. In view of the shortage of stocks it will be necessary to import salt in 1917.

## SALE OF CROWN LAND.

The total extent of Crown land sold and settled (exclusive of settlements under the Waste Lands Ordinances) was 11,373 acres, as compared with 14,773 acres in 1915 and 27,471 acres in 1914.

The decrease in the acreage alienated is almost entirely due to the fact that sales of Crown land were in abeyance after the month of August, pending the introduction of a system of leasing. The demand for land does not appear to have decreased.

The Land Settlement Department settles title to land as between the Crown and the subject. During the year 1916 an area of about 208,817 acres has been settled. Almost all the claims were settled without recourse to litigation. The confidence of the people in the fairness of the settlements offered continues.

## MINERAL SURVEY.

The survey of the coast line in search of monazite sands has been completed. No additional deposits have been found. Newly found areas of sedimentary rocks in the north-west of the Island have been surveyed in the hope of discovering oil or coal-bearing beds, but with negative results. An investigation of the gem-bearing deposits of the Island has been begun with the objects (1) of discovering, if possible, an extension of the gemming belt; and (2) of discovering the source of the gems. The first part of the investigation has shown that the gemming belt ends somewhat abruptly at the south-east, as at the north end. The latter object is still being pursued.

## FORESTS.

*Re-afforestation.*—During the year the area of plantations was increased from 2,870 acres to 3,396 acres.

*Exploitation.*—Public Departments were supplied during 1916 with 15,895 broad gauge and 21,121 narrow gauge sleepers, 109,436 cubic feet of timber, and 73,649 cubic yards of firewood, in addition to the usual indents for small round timber, &c. The value of these was Rs. 400,107·21.

Since 1906 the Forest Department has supplied the Railway Department with 722,050 broad gauge and 255,740 narrow gauge sleepers, at an average cost of Rs. 3·63 and Re. 1·59 per sleeper respectively. Thus, a very large saving

over the cost of imported sleepers has been effected in obtaining these supplies from the local forests, while it is admitted that the local sleepers are far more durable than anything that has hitherto been imported.

The revenue received from the public on account of timber, fuel, and minor forest produce during the year was Rs. 273,120·31, an increase of Rs. 33,298·20 over the previous year.

#### MANUFACTURES.

Ceylon is essentially an agricultural country, and its manufactures are chiefly confined to the products of agriculture. Particulars of the output of the staple Ceylon products are given under "Exports." The preparation of coconut oil, copra, and arrack gives employment to a large number of the inhabitants, and to a less extent that of citronella oil and cinnamon.

About 6,500 acres were under tobacco cultivation in the Jaffna District, which is the principal tobacco-growing district in the Island. Two varieties are grown, one for smoking and the other for chewing. The smoking tobacco crop was good, and prices were normal. The chewing tobacco crop was equally good, and fetched good prices. Most of the chewing tobacco is exported to South India. A small portion finds its way to the south of the Island for the use of the Indian labourers on estates. All the smoking tobacco is turned into cigars, which find a ready sale in all parts of the Island.

Experiments in the cultivation of foreign varieties of tobacco continued at the Government Experimental Garden under the direction of the tobacco expert.

The Ceylon Sugar Refineries Company, a newly established enterprise, in which a considerable amount of capital, both European and Ceylonese, is invested, has begun to buy jaggery, a product of the palmyra palm, for sugar refining and for distilling alcohol from the refuse molasses. The first samples of the sugar manufactured by the Company were put on the market towards the close of the year.

The fish industry is carried on principally in the Mannar District, from which salted, dried, and iced fish to the value of Rs. 386,110 were sent to other parts of the Island during 1916.

Minor industries, such as silver and brass work, ivory work, jewellery, lace-making, furniture, &c., have suffered from the lack of demand, owing to the war and the absence of visitors to the Island.

#### MINING.

The year 1916 was a record year for plumbago mining in Ceylon, owing mainly to the continued demand and the facilities given for export of plumbago to America, which took approximately three-quarters of the output. At the end of the year 2,881 mines were actually working, the majority of which, however, are only prospecting ventures. 22,114 persons were employed in the mines at the end of the year.

#### IV.—TRADE.

Ceylon is fortunate in possessing staple products which are in constant demand, and the majority of which are actual necessities of war. In spite of high freights, the Colony consequently enjoyed a year of extraordinary trade prosperity until towards the end of December, when the financing of the export trade became a matter of great difficulty, owing to the adverse rate of exchange consequent on the restricted sale of India Council Bills in London. The effect of this financial difficulty did not show itself in 1916, and the subject is one which need not therefore be discussed in this report.

The total value of Ceylon trade in 1916, excluding specie but including the value of coal supplied to steamers, amounted to Rs. 521,280,838, as compared with Rs. 449,550,045 in 1915. The total value of trade in 1915 constituted a record, but while the increase in that year was only in exports, in 1916 both imports and exports show considerable increases, and in each case the total for the year constitutes a new record.

The following table shows the total value of trade in lakhs of rupees in each year for the period 1907 to 1916 :—

Year.	Lakhs of Rupees.	Year.	Lakhs of Rupees.
1907 ..	2,631½	1912 ..	3,886½
1908 ..	2,647½	1913 ..	4,329½
1909 ..	2,853½	1914 ..	4,022½
1910 ..	3,321½	1915 ..	4,495½
1911 ..	3,523½	1916 ..	5,212½

The Customs revenue collected in 1916 amounted to Rs. 25,488,407, an increase of Rs. 7,899,782 over 1915, itself a record year, due mostly to the new export duties on tea, rubber, copra, coconut oil, desiccated and fresh coconuts, and cacao, first imposed on October 1, 1915, and on plumbago, imposed on August 2, 1916. Of the total revenue, Rs. 7,977,976 represent the proceeds of the new export duties, of which a sum of Rs. 752,985·69 was refunded in accordance with the concessions granted in the case of goods in stock or already sold when the new duties came into force. The Customs revenue is, however, mostly derived from imports, of which the figures classified under the specified heads for the last two years are as follows :—

	1915. Rs.	1916. Rs.
Grain ..	3,910,502	4,493,038
Spirits ..	1,881,295	1,859,945
Kerosine Oil ..	1,733,002	1,756,296
Sugar ..	1,331,786	1,240,842
Cotton Goods ..	419,579	547,844
Other Goods ..	3,356,196	4,377,842

The following table shows the total amount of the imports and exports for the past ten years. The figures given do not include specie and the value of coal supplied to steamers :—

Year.	Imports. Rs.	Exports. Rs.	Total. Rs.
1907 ..	120,061,934	129,368,251	249,430,185
1908 ..	122,420,393	128,962,156	251,382,549
1909 ..	125,441,597	146,899,631	272,341,228
1910 ..	150,195,648	166,471,607	316,667,255
1911 ..	156,986,106	180,526,959	337,513,065
1912 ..	175,322,979	198,954,902	374,277,881
1913 ..	186,073,086	232,986,954	419,060,040
1914 ..	172,317,549	218,363,846	390,681,395
1915 ..	163,637,758	273,375,987	437,013,745
1916 ..	211,500,753	297,505,905	509,006,658

The considerable increase in the imports of 1916 over 1915 was due to larger importations of the principal articles, chiefly rice, cotton goods, manures, metals and metalware, cars and parts thereof, and haberdashery, and to enhanced prices owing to the war. In exports the increase was almost entirely due to larger exports of plumbago and rubber, and to the very remunerative prices realized for the former, both articles being in great demand to supply the needs created by the war. Of the total exports in 1916, Rs. 284,837,976 represent the value of Ceylon produce and manufactures, and Rs. 12,667,929 of imported goods re-exported.

The percentage of imports, exports, and total trade for the United Kingdom, British Possessions, and foreign countries are shown in the following table. The value of rubber imports is omitted from the table, owing to the fact that

this article is brought here solely for purposes of export, and is therefore an import only in name. The percentages are:—

		<i>Imports.</i>			
		1914.		1915.	1916.
From United Kingdom	..	29·53	..	22·33	23·01
From British Possessions	..	54·90	..	62·54	59·97
From Foreign Countries	..	15·51	..	15·13	17·02
		<i>Exports.</i>			
To United Kingdom	..	52·92	..	53·79	44·28
To British Possessions	..	13·47	..	14·06	12·6
To Foreign Countries	..	33·61	..	32·15	43·12
		<i>Total Trade..</i>			
With United Kingdom	..	42·8	..	42·24	35·64
With British Possessions	..	31·43	..	31·86	31·83
With Foreign Countries	..	25·77	..	25·9	32·53

The United Kingdom, which had previously been well ahead both of her possessions and of foreign countries in her share of the trade with Ceylon, now takes only a slightly better share than the others, the change being brought about by the increase in the trade with foreign countries on account of large exports of rubber and plumbago, especially to the United States of America, and to increased imports from Japan and the United States of America.

#### IMPORTS.

The principal articles imported in 1916 show increases as compared with 1915.

*Confectionery.*—The imports rose in quantity from 952,612 lb. in 1915 to 1,017,441 lb. in 1916, and in value from Rs. 390,936 to Rs. 547,366. Most of the trade is with the United Kingdom, the 746,935 lb. supplied by her in 1916 being valued at Rs. 441,845, as against 899,450 lb. of the value of Rs. 357,294 in the previous year.

Imports from Japan increased in quantity from 1,525 lb. to 62,793 lb., and imports from British India from 25,464 lb. to 175,354 lb. Imports from other countries are negligible, with the exception of those from Switzerland, which supplied much the same quantity as last year, viz., 24,805 lb.

*Cement.*—The year's imports amounted to 315,598 cwt., or 15,774 cwt. less than in the previous year. The United Kingdom supplied 155,988 cwt., Japan 136,623 cwt., and Hong Kong and Denmark most of the remainder. The average value of cement imported from Japan was Rs. 2·65 per cwt., while that from the United Kingdom was Rs. 3·48 per cwt.

*Cotton, Manufactured and Raw.*—Imports rose in value from Rs. 9,483,674 in 1915 to Rs. 12,958,380 in the year under review. The largest increases were in printed piece goods from the United Kingdom, and dyed piece goods from British India, the United Kingdom, and Holland. The United Kingdom, British Possessions, and foreign countries have all shared in the increase.

*Grain.*—The imports of rice were 8,073,964 cwt., an increase of 900,186 cwt. over 1915. British India and the Straits Settlements sent less, and Burma more, than in the previous year.

*Horses and Motor Cars.*—On August 2, 1916, the duty on motor cars, except lorries, was raised from 5½ per cent. to 33½ per cent. *ad valorem*, with a view to restricting imports, but as this had not the desired effect action was taken early in 1917 still further to increase the duty. The importation of motor cars has increased considerably, the number for the past seven years being:—

1910	..	151	1914	..	459
1911	..	213	1915	..	296
1912	..	239	1916	..	590
1913	..	407			

The United States of America have supplied 526 cars out of the 590 imported in 1916.

Petrol imports, mainly for motor cars, have also increased. The figures are:—

Year.	Gallons.	Year.	Gallons.
1910 ..	136,646	1914 ..	701,082
1911 ..	206,208	1915 ..	607,774
1912 ..	216,714	1916 ..	776,092
1913 ..	383,442		

Only 60 horses were imported in 1915, but the number rose to 261 in 1916, and importations have again resumed normal proportions. Of the horses imported in 1916, 237 came from British India, 23 from the United Kingdom, and 1 from the Straits Settlements.

*Lamps.*—198,741 lamps were imported in 1916, as compared with 156,985 in 1915. Japan sent the largest number and of a somewhat better kind than last year. The United Kingdom, the United States of America, Japan, and British India, named in order of value, are the chief countries supplying Ceylon with lamps.

*Metals and Metalware.*—There was an increase of about 30 per cent. in value over the previous year. Increases are noticeable under nearly all the important heads, but especially under hardware, pig lead, and hoop iron. Drums and tanks, tea lead, and silver and silver gilt plate show decreases. Of the principal countries supplying metals and metalware, the United Kingdom furnished 55½ per cent. of the value, Burma 17 per cent. (due mainly to her supplies of pig lead), and the United States of America 12 per cent., the supplies of galvanized goods, including barbed wire, hardware, and cast steel, from the last-named country having specially increased.

*Manure.*—This also shows an increase, the total value of all kinds for 1915 and 1916 being Rs. 8,005,529 and Rs. 11,221,778 respectively. All the important manures show increases, except groundnut cake, which comes from British India. Of the manures supplied by foreign countries, superphosphates came from Japan, nitrate of soda from Japan and South America, and nitrolim (classified under "Other Manures" in the Customs returns) from Norway. There were no imports of nitrate of potash in 1916.

*Spirits.*—Whisky was in greatest demand, followed by gin and brandy in the order named. The total quantities cleared were, however, slightly less than in 1915, viz., 226,749 bulk gallons, as against 229,416 gallons. From April 1, 1916, the Customs monthly returns show imports in proof gallons (where the strength can be ascertained), in addition to the bulk gallons hitherto shown.

*Sugar.*—The total imports of sugar classified under the three heads "Palm and Jaggery," "Unrefined Sugar," and "Sugar, Refined or Candied," were 467,762 cwt. and 548,924 cwt. in 1915 and 1916 respectively, there being decreases under the chief head "Sugar, Refined or Candied," as well as under "Unrefined Sugar," and an increase in "Palm and Jaggery." Palm and jaggery, of which the imports averaged 26,135 cwt. for the three previous years, rose to the phenomenal figure of 180,560 cwt., most of which was taken by the sugar factory established during the latter half of the year 1916 at Valuvadditurai, in the Northern Province. The output at this refinery has so far been limited to a few tons of refined sugar, the industry having only lately gone beyond the experimental stage.

*Tobacco, Cigars, and Cigarettes.*—The quantities cleared during the past three years are given below. It will be seen that there has been an increased demand under each head as compared with 1915:—

Year.	Cigars.	Cigarettes.	Manufactured Tobacco.	Total.
	lb.	lb.	lb.	lb.
1914 ..	21,803	329,230	39,149	391,182
1915 ..	22,745	231,500	20,432	274,677
1916 ..	31,226	256,779	23,423	311,428

*Chief Sources of Supply.*

The following table shows the proportion of values for the principal countries exporting goods to Ceylon :—

Position.	Countries.	1914. Per Cent.	1915. Per Cent.	1916. Per Cent.
1. British India .. ..	..	35·93	41·19	35·05
2. United Kingdom .. ..	..	28·58	21·66	22·11
3. Burma .. ..	..	6·11	6·88	14·67
4. Straits Settlements .. ..	..	8·94	10·41	8·03
5. Japan .. ..	..	1·71	3·22	4·32
6. United States of America .. ..	..	1·33	2·95	3·65
7. Java .. ..	..	1·5	2·21	1·54
8. Borneo (excluding British) .. ..	..	·46	·57	1·28
9. Maldivo Islands .. ..	..	1·21	1·39	1·13
10. Hong Kong .. ..	..	·77	·98	·86
11. Holland .. ..	..	·85	·62	·78
12. China (excluding Hong Kong) .. ..	..	·53	·75	·56
13. France .. ..	..	·83	·64	·52
14. Siam .. ..	..	1·1	·78	·48
15. Persia .. ..	..	·88	·5	·47
16. New South Wales .. ..	..	·23	·47	·46
17. Norway .. ..	..	·11	·36	·43
18. Switzerland .. ..	..	·22	·34	·37
19. India (excluding British) .. ..	..	·46	·41	·37
20. Sweden .. ..	..	·23	·29	·29
21. Western Australia .. ..	..	·39	·31	·28
22. Russia in Europe .. ..	..	·03	—	·27
23. Mozambique .. ..	..	·06	—	·26
24. Italy .. ..	..	·46	·21	·23
25. Victoria .. ..	..	·76	·19	·15
26. Natal .. ..	..	·79	·6	·14
27. Sumatra .. ..	..	—	·37	·14
28. South America .. ..	..	·01	·01	·14
29. South Australia .. ..	..	·36	·12	·14

Burma has gained one place, mainly owing to increased supplies of rice, while the Straits Settlements has receded from the third to the fourth place. Japan and the United States of America appear as the principal foreign competitors. Both these countries are now supplying goods of a greater value than Germany did before the war, the total value for Japan and the United States of America for the year being Rs. 9,134,670 and Rs. 7,727,277, respectively, as compared with the value for Germany of Rs. 6,022,497 for 1913.

**EXPORTS.**

The staple Ceylon products exported, in order of value, are as follows :—

		Lakhs of Rupees.	
		1915.	1916.
1. Tea .. ..	..	1,225	1,053
2. Rubber .. ..	..	790	1,035
3. Plumbago .. ..	..	79	225
4. Copra .. ..	..	177	219
5. Coconut oil .. ..	..	130	89
6. Coconut, desiccated .. ..	..	86	87
7. Cacao .. ..	..	31	28
8. Arecanuts .. ..	..	33	28
9. Citronella oil .. ..	..	15	13
10. Cinnamon .. ..	..	20	13
11. Coir fibre .. ..	..	9	9
12. Coir yarn .. ..	..	10	8
13. Cardamoms .. ..	..	8	5
14. Tobacco, unmanufactured .. ..	..	6	5
15. Coconuts .. ..	..	5	4
16. Poonac .. ..	..	10	4

The increase in the value of plumbago is a special feature of the year. Good prices were obtained throughout, and there was a steady demand for the article. Rubber shows a substantial increase, its total value being almost equal to the value of tea. Copra, coconut oil, desiccated coconuts, arecanuts, cinnamon, and coir yarn have each lost a place. Cacao, citronella oil, cardamoms, tobacco, and coconuts have each gained a place. Coir fibre has advanced two places, while poonac has receded four places, exports of the article having fallen owing to high freights.

The following table shows the proportion of Ceylon produce and manufactures taken by the principal countries for the last three years :—

Position.	Countries.	1914. Per Cent.	1915. Per Cent.	1916. Per Cent.
1.	United Kingdom ..	53·88	55·05	45·89
2.	United States of America ..	14·1	18·39	26·87
3.	France ..	54	91	5
4.	Russia in Europe ..	3·13	3·99	4·17
5.	British India ..	2·07	2·39	2·53
6.	New South Wales ..	2·56	2·26	2·07
7.	Victoria ..	2·46	2·57	2·01
8.	Russia in Asia ..	1·32	2·06	1·96
9.	China (excluding Hong Kong) ..	1·31	1·44	1·74
10.	Denmark ..	1·2	2·14	1·42
11.	Egypt ..	33	96	1·24
12.	New Zealand ..	1·57	1·4	1
13.	Canada ..	1·97	1·68	·89
14.	Hong Kong ..	16	06	34
15.	Cape Colony ..	27	35	31
16.	Japan ..	31	2	31
17.	Natal ..	29	36	29
18.	South Australia ..	42	42	25
19.	Philippines ..	17	13	21
20.	Straits Settlements ..	26	27	20
21.	Norway ..	35	9	19
22.	Italy ..	1	05	17
23.	Western Australia ..	21	17	15
24.	Newfoundland ..	08	08	14
25.	Queensland ..	28	22	14
26.	Spain (excluding Gibraltar) ..	25	23	13
27.	Mozambique ..	05	05	08

The United States of America and France have made a marked advance, chiefly on account of larger purchases of rubber and plumbago by the former, and of copra by the latter. There were no exports to Holland during the year. The chief foreign country in Europe not being an allied country to be supplied was Denmark, the total value being Rs. 4,049,430 in 1916.

### Tea.

The exports of tea during the past seven years in round figures are shown below. It will be seen that the quantity exported is the highest, with the exception of 1915, while the average price realized for the article was also only lower than the average price for 1915, the rate being 51·79 cents per pound in 1916, as against 56·79 cents per pound in 1915 :—

Year.	Millions of lb.	Year.	Millions of lb.
1910 ..	182	1914 ..	193
1911 ..	186	1915 ..	215
1912 ..	192	1916 ..	203
1913 ..	191		



The distribution among the principal countries, with their increases and decreases, is shown in the following table :—

Countries.	1916. lb.	1915. lb.	Increase over 1915. lb.	Decrease below 1915. lb.
United Kingdom	113,535,561	124,396,216	—	10,860,655
British Possessions—				
British India	2,393,152	2,875,159	—	482,007
Canada	4,341,831	7,162,572	—	2,820,741
Cape Colony	1,413,972	1,394,126	19,846	—
Egypt	6,405,167	4,320,278	2,084,889	—
Hong Kong	177,690	130,701	46,989	—
Malta	162,805	132,246	30,559	—
Mauritius	157,697	119,712	37,985	—
Natal	1,452,952	1,529,459	—	76,507
Newfoundland	779,341	371,877	407,464	—
New South Wales	10,107,538	9,880,166	227,372	—
New Zealand	5,039,998	6,170,492	—	1,130,494
Queensland	694,956	874,344	—	179,388
South Australia	1,268,700	1,776,178	—	507,478
Straits Settlements	571,446	442,511	128,935	—
Victoria	7,759,300	8,698,999	—	939,699
Western Australia	761,506	692,948	68,558	—
Other British Possessions	399,398	432,602	—	33,204
	43,887,449	47,004,370	3,052,597	6,169,518
			Deduct Increase	3,052,597
			Nett Decrease	3,116,921
Foreign Countries—				
China (excluding Hong Kong)	9,346,605	6,631,778	2,714,827	—
France	2,252,218	1,581,917	670,301	—
Mozambique	412,300	156,027	256,273	—
Russia in Asia	7,580,928	9,369,899	—	1,788,971
Russia in Europe	18,499,784	15,727,736	2,772,048	—
United States of America	7,225,813	10,250,652	—	3,024,839
Other Foreign Countries	515,689	514,132	1,557	—
	45,833,337	44,232,141	6,415,006	4,813,810
			Deduct Decrease	4,813,810
			Nett Increase	1,601,196
Grand Total	203,256,347	215,632,727	—	12,376,380

It will be seen that the total quantity taken by foreign countries was more than in 1915, while that taken by the United Kingdom and her possessions was less. Egypt shows a substantial increase among British Possessions, and Canada and New Zealand a decrease. Among foreign countries, Russia (European) and China took more than in the previous year, and the United States of America took less.

#### *Products of the Coconut Palm.*

The total value of the products of the coconut palm was 422 lakhs, as compared with 429 lakhs in the previous year. The exports of its three principal products are shown below for a period of six years :—

Year.	Desiccated Coconuts.	Copra.	Coconut Oil.
	Cwt.	Cwt.	Cwt.
1911	292,210	821,814	505,016
1912	278,806	614,089	401,779
1913	303,808	1,117,292	546,984
1914	311,864	1,411,947	486,286
1915	349,009	1,208,529	501,510
1916	306,149	1,309,939	323,017

The average values declared by the exporters for desiccated coconuts and copra were higher than in 1915. The average price for coconut oil was Rs. 27·26 per cwt. in 1916, as against Rs. 25·84 in 1915. The large decrease in exports of coconut oil was due to a reduced demand from the United States of America and to war trade restrictions.

#### Rubber.

Exports in 1916, in spite of the restrictions due to the war, exceeded the previous record (1915) by 50,942 cwt., and amounted to 486,690 cwt. in all. The extent of the growth in the trade can be seen from the following table, which shows figures from the year 1910. Should the present rate of increase continue, rubber will take first place among Ceylon products in 1917. The exports have been :—

Year.	Cwt.	Year.	Cwt.
1910 .. .. .	33,952	1914 .. .. .	306,724
1911 .. .. .	61,212	1915 .. .. .	435,748
1912 .. .. .	132,569	1916 .. .. .	486,690
1913 .. .. .	226,491		

The foreign countries supplied with rubber were the United States of America, France, Russia, Japan, and Italy.

#### Plumbago.

The total quantity shipped was 668,214 cwt. valued at Rs. 22,494,943 in 1916, as against 436,351 cwt. valued at Rs. 7,919,770 in 1915. Three-fourths of the total shipped in 1916 went to the United States of America, about 18 per cent. to the United Kingdom and her possessions, and the remainder to Russia. Since the imposition of the *ad valorem* duty on this article on August 2, 1916, the Customs have accepted F. O. B. prices for Customs purposes. These prices give for the period August to December an average of Rs. 819 per ton for all grades. For the year the average price of large and ordinary lumps was Rs. 873·61 per ton, and that of chips, dust, and flying dust Rs. 478·56 per ton. The best grades reached record values, while dust of low grades was unsaleable owing to high freights.

#### CUSTOMS DUTIES.

All imports not specially rated or exempted by the tariff are liable to a Customs duty of 5½ per cent. *ad valorem*. By resolution of the Legislative Council dated August 2, 1916, the import duty on motor vehicles other than motor lorries was increased from 5½ per cent. *ad valorem* to 33½ per cent. *ad valorem*, and the rebate of the import duty paid on petrol consumed in such cars was withdrawn with effect from September 5, 1916. On August 2, 1916, the export duty of 25 cents per cwt. on plumbago was replaced by an *ad valorem* duty of 3 per cent., the value accepted by the Customs being F. O. B. prices, Colombo harbour.

#### V.—SHIPPING.

The total number of all vessels which entered the ports of the Island of Ceylon in 1916 was 4,580, with a tonnage of 8,874,843. This shows an increase of 308 vessels and an increase of 891,575 tons as compared with 1915.

The following table gives the total number and nett tonnage of shipping entering all ports in Ceylon during the last three years :—

	1914.		1915.		1916.	
	Number.	Tons.	Number.	Tons.	Number.	Tons.
Merchant vessels (with cargo and in ballast) .	2,523	7,041,986	1,560	4,984,122	2,035	4,480,703
Merchant vessels (called to coal) ..	615	1,728,558	655	1,937,572	737	2,008,057
Native sailing vessels ..	1,159	103,541	1,847	268,938	1,372	106,646
Warships* and Government chartered vessels	104	464,450	210	692,636	436	2,279,437
Total ..	4,401	9,338,535	4,272	7,883,268	4,580	8,874,843

\* Warships' displacement tonnage.

Omitting warships and vessels calling to coal, the following table gives the comparative distribution according to nationality for 1915 and 1916 :—

	1915.		1916.	
	Number.	Tons.	Number.	Tons.
British ..	1,103	3,508,012	1,652	3,364,847
British Colonial ..	1,728	253,985	1,260	92,549
Maldivian ..	119	14,953	112	14,097
<b>Total British Ships</b>	<b>2,950</b>	<b>3,776,950</b>	<b>3,024</b>	<b>3,471,493</b>
American ..	5	11,745	4	14,062
Belgian ..	1	1,860	—	—
Chinese ..	—	—	3	3,666
Danish ..	14	37,249	11	31,694
Dutch ..	83	302,279	47	122,691
French ..	92	320,656	80	349,804
Greek ..	1	2,489	1	1,939
Italian ..	18	50,453	15	44,166
Japanese ..	139	573,542	102	341,517
Norwegian ..	54	66,173	79	108,070
Roumanian ..	—	—	1	1,452
Russian ..	10	13,614	3	5,319
Spanish ..	28	65,283	23	58,628
Swedish ..	12	30,767	14	32,848
<b>Total Foreign Ships</b>	<b>457</b>	<b>1,476,110</b>	<b>383</b>	<b>1,115,856</b>

The predominance of British shipping still continues. The increase in the number and tonnage of vessels is due to the increased number of Government chartered vessels which called at Colombo during the year 1916.

There has been a considerable falling off of Dutch vessels, and a decrease in French, Russian, and Japanese vessels calling at this port, but a continued increase of Norwegian and Swedish vessels.

A feature of the year 1916 was the arrival of one Roumanian and three Chinese vessels.

#### COLOMBO PORT COMMISSION.

Further progress has been made during the year 1916 in providing increased warehouse accommodation and making other improvements at the port of Colombo. The two warehouses (of an area of 40,000 square feet) east of the Patent Slip were completed in March, 1916. The quay wall between the Patent Slip and Block Jetty, 1,690 feet in length, was finished in August. In July sanction was given for the erection of a block of warehouses between the canal and the Patent Slip. These warehouses will be two in number, with an open cartway, and will be used for exports. The area of the warehouses will be 81,000 square feet. Despite the difficulty which has been experienced in obtaining the necessary materials for the erection of these warehouses, rapid progress has been made. One warehouse has been completed, and it is anticipated that the other will be finished in March, 1917. The quay walls of the lake to harbour canal basin have been completed, but owing to various difficulties it has not been possible yet to dredge this area for the use of cargo lighters. The four cranes for the Delft warehouse area (between the passenger jetty and canal) have arrived. The work of enclosing the Colombo Port Commission premises has been completed.

The work of deepening the harbour, which had been suspended since December, 1914, was resumed in October, 1916.

Fifteen more sheds at the Chalmers granaries were completed during the year 1916, making a total of twenty-one stores so far handed over to the rice merchants ; several more sheds are in hand.

Sanction has been given for the construction of a railway to connect the Colombo harbour with the general railway system of the Island, and the work is being begun within Colombo Port Commission premises.

A severe storm struck Colombo and the south-west coast of Ceylon on July 18, 1916, and wrecked a large number of fishing craft with the loss of many lives amongst the Mutwal fishermen. The Government tugs "Samson" and "Goliath" and the Ceylon Wharfrage Company's tug "Lady Mackay" rendered valuable assistance in rescue work, and saved 53 lives.

The nett tonnage of vessels (sailing and steam) visiting Colombo harbour in 1916 amounted to 6,203,474; in addition 436 warships and transports with a gross tonnage of 2,279,437 and coasting vessels with a nett tonnage of 25,168 entered the port. The receipts from the Graving Dock were Rs. 50,986·59, and from the Patent Slip Rs. 8,075.

The supervision and control of coast lights were placed in the charge of the Master Attendant, Colombo and Galle, from October, 1916. The Master Attendant's Department, Galle, and the Signal Station, Galle, which have been managed by the Master Attendant, Colombo, since November 1, 1915, and October 1, 1915, respectively, have worked very satisfactorily during the year.

The expenditure by the Colombo Port Commission (apart from the work carried out by the Public Works Department) during the financial year 1915-16 (October 1, 1915, to September 30, 1916) amounted to Rs. 1,128,989; the expenditure on work carried out by the Public Works Department for the Port Commission was Rs. 48,697, a total of Rs. 1,177,686. The revenue during the same period amounted to Rs. 2,607,250.

## VI.—LEGISLATION.

Forty-two Ordinances were passed during the year 1916. Of these, the nine following owed their origin to the present war :—

- (a) *The Necessaries of War Exportation (Amendment) Ordinance, No. 1 of 1916.*—This Ordinance amended "The Necessaries of War Exportation Ordinance, No. 19 of 1914," by giving power to the Principal Collector of Customs to issue licenses, subject to conditions, authorizing the exportation of any goods subject to prohibition under the main Ordinance to a particular person or place or to a particular person at a particular place named in the license.
- (b) *The Trading with the Enemy (Amendment) Ordinance, No. 2 of 1916.*—This Ordinance amended "The Trading with the Enemy Ordinance, No. 20 of 1914," by giving further powers to the Principal Collector of Customs to seize imported goods which he suspects to have been imported in contravention of the law relating to trading with the enemy, and giving power to the Principal Collector of Customs to require goods in transit to be landed, and to require the person exporting the goods to make a declaration before shipment as to the person or country for whom or which the goods are ultimately destined.
- (c) *The Ceylon Post Office (Amendment) Ordinance, No. 3 of 1916.*—This Ordinance amended "The Ceylon Post Office Ordinance, 1908," and prohibited persons from having non-postal communication to or from Ceylon, and further prohibited persons from sending letters from Ceylon in invisible ink, &c.
- (d) *The Trading with the Enemy (Amendment No. 2) Ordinance, No. 13 of 1916.*—This Ordinance further amended "The Trading with the Enemy Ordinance, No. 20 of 1914," on the lines of the Imperial Act, namely, The Trading with the Enemy (Extension of Powers) Act, 1915.
- (e) *The Enemy Firms Liquidation Ordinance, No. 20 of 1916,* passed with the object of liquidating all enemy firms in Ceylon.

- (f) *The Enemy Property Ordinance, No. 23 of 1916*, passed with the object of compiling a record of all properties belonging to enemy subjects in Ceylon.
- (g) *The Customs Amendment (War Powers) Ordinance, No. 30 of 1916*.—This Ordinance gave further powers to the Governor in Council to prohibit or restrict imports.
- (h) *The Disabled Ceylon Men's Fund Ordinance, No. 31 of 1916*, to incorporate an association which has been established consisting of persons interested in the welfare of persons from Ceylon who become incapacitated or disabled through wounds or diseases whilst in the service of the Allied Governments presently at war with the Central Powers, and for the administration of their funds.
- (i) *The Volunteer (Amendment) Ordinance, No. 42 of 1916*, providing for the obligatory enlistment of all male British subjects of European birth under the Volunteer Ordinance.

Besides these, the following Ordinances are of interest :—

- (i.) *The Vehicles Ordinance, No. 4 of 1916*, consolidated the law relating to all vehicles and motor cars.
- (ii.) *The Planters' Association of Ceylon Incorporation Ordinance, No. 12 of 1916*, incorporating the Planters' Association of Ceylon.
- (iii.) *The New St. Andrew's Church Ordinance, No. 16 of 1916*, incorporating the trustees of St. Andrew's Church, Colombo.
- (iv.) *The Hotel Keepers Liability Ordinance, No. 19 of 1916*, limiting the liability of hotel keepers in respect of the goods of their guests.
- (v.) *Ordinance No. 21 of 1916*, increasing the export duty on plumbago.
- (vi.) *The Local Loans and Development Ordinance, No. 22 of 1916*, provides facilities for the granting of loans for local purposes of public utility.
- (vii.) *The Firearms Ordinance, No. 32 of 1916*, amending and consolidating the law relating to firearms.

## VII.—EDUCATION.

It is difficult to draw a clear line between elementary and secondary education in Ceylon. The English-speaking community form scarcely 1 per cent. of the total population, so that most of the schools where English is taught are teaching a language which is foreign to the large majority of their pupils. The vernacular schools constitute the real elementary education of the country.

### VERNACULAR EDUCATION.

In 1916 there were 812 Government vernacular schools, with an attendance of 83,545 boys and 27,157 girls. There were also 1,840 aided schools, with an attendance of 129,612 boys and 75,441 girls.

The total sum expended by Government on vernacular education in 1916 was Rs. 1,234,146, of which approximately two-fifths were spent on Government schools and three-fifths on aided schools.

The Rural Schools Ordinance is now in force in all districts of the Island, having been introduced in the Jaffna District in December, 1916.

The Town Schools Ordinance was also introduced into the towns of Kurunegala, Trincomalee, Chilaw, and Matara during the year.

At the end of 1916 there were 242 aided estate schools, and returns from 589 estates showed that of a total of 18,585 children of school-going age 6,771 were attending estate schools. Of these, 5,566 were boys and 1,205 girls.

A school for the deaf and blind, started in 1912, receives an annual grant from Government of Rs. 3,000.

### SCHOOLS TEACHING ENGLISH.

In 1916 there were 252 English and Anglo-vernacular schools attended by 42,890 pupils, of whom 33,407 were boys and 9,483 girls.

In many of the schools candidates are prepared for the Senior and Junior Cambridge Local Examinations. In 1915 the candidates who presented themselves and the results obtained were:—

		Candidates.	Honours.	Passed.
Senior	..	1,057	66	499
Junior	..	1,274	56	601

There are special syllabuses for Ceylon students in English, Science, and Needlework, special stress being laid on the necessity for obtaining a high standard in English.

The results of the London University Examinations in 1916 showed that 89 candidates from Ceylon presented themselves for the Matriculation Examination, 36 of whom passed. In addition, 13 candidates passed the Intermediate Examination in Arts, 13 passed the Intermediate Examination in Science, 5 the Examination for the degree of Bachelor of Arts, 1 the Examination for the degree of Bachelor of Science, 2 the First Examination in Medical Degrees, 1 the Second Examination, Part I., and 4 the Intermediate Examination in Laws.

The encouragement offered by Government takes the form of grants or scholarships. In the majority of the aided English schools grants are paid on the results of examinations in the schedules of the Code, but in some of the more advanced schools the greater part of the grant is paid on the average attendance. The grants paid to English schools in the financial year 1915–16 amounted to Rs. 328,471.

It was decided to amalgamate the Royal College and the Training College English School, which puts the former on its previous footing of a fully organized school with upper and lower forms. Its pupils now number 623.

Two Government scholarships are offered annually, one on the results of the Intermediate Examination in Arts and the other on the results of the Intermediate Examination in Science. These scholarships are tenable for three years, and are of the value of £200 each per annum, with free passage to and from England and £50 outfit allowance. The holders may join any British University, or study at any recognized engineering institution in the United Kingdom.

### TRAINING OF TEACHERS.

The Government Training College consists of three departments: English, Sinhalese men, and Sinhalese women. The object is to supply trained teachers for aided English schools and Government vernacular schools. At the beginning of 1916 the number of students in training was English 69, Sinhalese men 45, Sinhalese women 20. During the year steps were taken to increase the numbers, and to get the managers to send in candidates whose fees they would be prepared to pay. Trained teachers at present command high salaries, and there is a great demand for their services.

### INDUSTRIAL SCHOOLS.

There are no Government industrial schools, but carpentry schools are attached to 6 Government schools in the Kandyan Provinces. In 1916 the aided industrial schools, which are 38 in number, received grants amounting to Rs. 23,961. The trades taught were carpentry, dressmaking, printing, shoe-making, tailoring, lace-making, embroidery, gardening, and masonry.

The most important of these schools is the Maggona Certified Industrial School, which is utilized by Government as a reformatory for youthful offenders; it is managed by the Roman Catholic Mission. This institution has an estate of some 300 acres and excellent buildings, towards the cost of which Government

has contributed. 237 youthful offenders are at present receiving instruction in this school, and an allowance is paid by Government for the maintenance of each offender.

#### AGRICULTURAL INSTRUCTION.

An attempt has been made to supply elementary agricultural instruction by a scheme of school gardens conducted in connection with Government schools. The gardens are under the supervision of the Department of Agriculture; there is a Superintendent of School Gardens, who is assisted by three Inspectors. 327 school gardens attached to Government schools are worked under this scheme, and 45 grant-in-aid schools receive garden grants. Seeds and implements are supplied by the Department of Agriculture, and prizes are offered for competition.

#### WAR LEAFLET.

A war leaflet has been published monthly, commencing from July last, in English, Sinhalese, and Tamil; it gives an account of the progress of the war during the previous month, with stories of heroism. The price is 10 cents, and all proceeds go to the Red Cross. 20,000 copies were sold of the first number, and the monthly circulation is over 10,000 copies. Rs. 6,000 realized by sales have already been remitted to the Red Cross. The leaflet has proved very valuable in disseminating correct information regarding the war, and spreading amongst the schools a knowledge and appreciation of what is being done.

### VIII.—GOVERNMENT INSTITUTIONS.

There are 81 Government hospitals, in addition to the Lunatic and the Lepér Asylums, equipped with modern hospital furniture and surgical appliances; the number of beds in the institutions ranges from 12 to 497, while the number accommodated in the Lunatic Asylum varied between 891 and 949; in addition to the hospitals, there are 432 Government outdoor dispensaries. The owners of estates have provided 55 estate hospitals, which receive a rebate on export duty, and 375 dispensaries which receive drugs free from Government to a value of 50 cents per labourer per annum.

Five new hospitals are under construction: at Pimbura in the Western Province, Aranayaka and Kahawatta in the Province of Sabaragamuwa, and Chilaw in the North-Western Province, a Tuberculosis Hospital at Ragama, and a sanatorium at Kandana in the Western Province. New buildings are also being erected at Alutnuwara, Buttala, and Lunugala, in the Province of Uva, to replace the present hospital buildings. New hospitals were opened during the year at Passara, Kitulgala, and Mulhalele, and new central dispensaries at Akmimana and Ambalantota in the Southern Province, Nildandahena in the Central Province, Makandura in the North-Western Province, and Maspana in the Province of Uva.

#### MEDICAL INSTITUTIONS.

The general rebuilding scheme in contemplation for the improvement of the Medical College was deferred; the full course of training for medical students is five years; a diploma in medicine, surgery, and midwifery (which can be registered in the United Kingdom) is granted to successful medical students. The course of training for apothecaries is two years; on obtaining their qualifications they are employed by Government. The following were the attendances and passes during the past two years:—

Session.	Attendances.		Passes.	
	Medical.	Apothecaries.	Medical.	Apothecaries.
1915 May to July ..	123	52	2	7
1914 October to 1915 March ..	135	57	6	11
1916 May to July ..	164	81	6	10
1915 October to 1916 March ..	137	61	6	6

In Colombo there are a Bacteriological Institute, a General Hospital, Lunatic Asylum, an Ophthalmic Hospital, a Lying-in Home, a hospital for women and children, and one for infectious diseases. There is an establishment for the manufacture of calf lymph; there are special dispensaries at Kandy and Galle for the treatment of eye diseases. An Anti-Tuberculosis Institute in Colombo was opened during the year, fitted with an up-to-date X'ray apparatus.

#### ASYLUMS.

The Lunatic Asylum contained 966 inmates on December 31, 1916. As there is very considerable overcrowding in the present building, the Government is erecting a new institution a few miles out of Colombo, with accommodation for 1,000 patients and for the necessary staff and servants. The number of patients treated in the Asylum during 1916 was 1,248 (794 males and 454 females). The number discharged was 214 (135 males and 79 females). In the House of Observation 383 persons were treated, of whom 213 were transferred to the Asylum, 143 were discharged, 4 cases died, and 23 remained at the end of the year.

The Leper Asylum is situated 6 miles from Colombo; it contained 419 patients at the end of the year; the total treated during 1916 numbered 497. A small establishment for lepers exists at Kalmunai in the Eastern Province, and has accommodation for 30; a leper colony at Mantivu, a small island on the lagoon in the neighbourhood of Batticaloa, is being erected.

A Home for Incurables (containing 80 beds) is administered by a Committee of Government officials and representatives of the public.

A campaign against anchylostomiasis has been started with the help of the Rockefeller Foundation, in the Matale, Dikoya, and Bogawantalawa districts.

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### IX.—CRIME.

#### POLICE.

The strength of the Force on December 31, 1916, as provided for in the Estimates, was 1 Inspector-General, 2 Deputy Inspectors-General, 10 Superintendents, 21 Assistant Superintendents, 3 Probationers, 36 Inspectors, 87 Sub-Inspectors, 1 Station House Officer, 326 Native Sergeants, 50 Special Class Constables, and 2,223 Native Constables. European Police: 1 Inspector, 3 Sub-Inspectors, 7 Second Class Sergeants, and 22 Third Class Sergeants. Total of all ranks 2,793.

The Force was increased by 2 Deputy Inspectors-General, 1 Superintendent, and 6 Assistant Superintendents for work in the Criminal Investigation Department and in the Provinces in which serious crime is most prevalent.

Two Assistant Superintendents were on active service with the Army in France throughout the year, and an effort is being made to permit a further number of physically fit officers to proceed on active service, their places being filled temporarily by gentlemen who have been disabled or are physically unfit for active service.

The cost of the Force was Rs. 1,863,175 approximately.

#### CRIMINAL STATISTICS.

*General Character of the Year.*—There was a general decrease in crime in 1916 as compared with 1915. There were 7,634 cases of serious crime in 1916, as compared with 8,337 in 1915 (excluding crime committed during the disturbances



in May/June, 1915). The decrease was common to crime against the person and against property, as the following statement shows :—

	1915 (excluding Crime committed during the disturbances in May/June, 1915).	1916.
Homicide .. .. .	204 ..	158
Attempted homicide .. .. .	43 ..	29
Grievous hurt .. .. .	615 ..	641
Hurt with dangerous weapons .. .. .	1,214 ..	1,093
Burglary .. .. .	1,911 ..	1,899
Theft of cattle and prædial produce .. .. .	981 ..	911
Other offences .. .. .	3,369 ..	2,903
<b>Total ..</b>	<b>8,337</b>	<b>7,684</b>

There was a decrease in crime in all the five Provinces in which Martial law was in force in 1915, viz., the Western, North-Western, Southern, Central, and Sabaragamuwa Provinces. There was an increase in cases of theft in Colombo city. The war had a considerable effect on the city in this respect; many persons have been thrown out of employment by employers who have been unable to get out materials from England, and this with the increase in the cost of living has caused an increase in petty thefts.

*Distribution of Crime.*—The following table shows the distribution of crime :—

Province.	Homicide.	Attempted Homicide.	Grievous Hurt.	Hurt with Dangerous Weapons.	Burglary.	Theft of Cattle and Prædial Produce.	Other Offences.	Total.
Colombo City ..	6 ..	— ..	59 ..	89 ..	57 ..	5 ..	387 ..	603
Western ..	44 ..	7 ..	201 ..	333 ..	553 ..	340 ..	674 ..	2,152
North-Western ..	10 ..	7 ..	50 ..	114 ..	333 ..	182 ..	272 ..	968
Sabaragamuwa ..	23 ..	4 ..	62 ..	95 ..	188 ..	65 ..	285 ..	722
Southern ..	28 ..	5 ..	103 ..	201 ..	348 ..	155 ..	284 ..	1,094
Uva ..	10 ..	2 ..	21 ..	31 ..	71 ..	55 ..	171 ..	361
Eastern ..	6 ..	1 ..	13 ..	37 ..	51 ..	28 ..	139 ..	275
North-Central ..	— ..	— ..	6 ..	11 ..	21 ..	17 ..	68 ..	123
Central ..	22 ..	3 ..	86 ..	102 ..	246 ..	43 ..	435 ..	937
Northern ..	9 ..	— ..	40 ..	80 ..	31 ..	21 ..	218 ..	399
<b>Total ..</b>	<b>158</b>	<b>29</b>	<b>641</b>	<b>1,093</b>	<b>1,899</b>	<b>911</b>	<b>2,903</b>	<b>7,624</b>

Comparing the number of serious offences committed with the population in each Province it is found that—

	Persons.
In the Colombo City there is 1 case of crime to every	359
In the Western Province .. .. .	413
In the North-Western Province .. .. .	448
In the Province of Sabaragamuwa .. .. .	566
In the Southern Province .. .. .	575
In the Province of Uva .. .. .	600
In the Eastern Province .. .. .	668
In the North-Central Province .. .. .	701
In the Central Province .. .. .	717
In the Northern Province .. .. .	926

The steps taken to deal with crime in the Colony during the year were :—

- (i.) The provision of a separate Criminal Investigation Department for the duty of examining and registering all persons passing through the ports of Ceylon, collecting and distributing information from and to the Provinces, and supervising the vernacular Press.
- (ii.) The appointment of a Deputy Inspector-General of Police to be frequently on tour in the Provinces in which crime is most prevalent.

- (iii.) The appointment of five additional officers for the duty of investigating crime and supervising outlying police stations in the Provinces in which crime is prevalent.
- (iv.) The connection of outlying police stations with the headquarters of each district by telephone.
- (v.) The appointment of 22 additional Inspectors and Sub-Inspectors for special inquiries in areas where crime is prevalent.

#### PRISONS.

There was a decrease of 4,743 in the total number of admissions of convicted prisoners of Ceylon during the year 1916, excluding Road Ordinance defaulters, of whom there were 129, as against 114 in 1915. The figures are as follows:—

1915	..	..	..	..	15,745
1916	..	..	..	..	11,002

The number of prisoners sentenced to death was 48, as against 156 in 1915. There were 30 executions during the year, as against 90 in 1915. Of the 30 whose capital sentences were carried out, 22 were Sinhalese, 7 Tamils, and 1 Bengali Muhammadan. Of the number sentenced to death in 1916, 1 was hanged in 1917, and of the number hanged, 3 had been sentenced in 1915. Twelve convicts were deported to the Andaman islands for life.

There were 21 escapes and 19 recaptures during the year. Of these, 14 escapes and 12 recaptures occurred at Hambantota jail.

The total number of deaths in jail was 389, as against 232 in 1915; and the death-rate per 1,000 of the prisons population was 22·37, as against 8·63 in 1915 and 4·38 in 1914. The daily average sick was 259·48, as against 167·98 in 1915 and 80·51 in 1914.

The number of punishments inflicted during the year for prison offences was 2,526, as against 1,422 in 1915 and 885 in 1914. There were 66 cases of corporal punishment, as against 34 in 1915.

Prisoners are in all jails employed on works of public utility and remunerative industrial labours. At Welikada jail in Colombo and Bogambra jail in Kandy various trades are taught, such as carpentry, blacksmiths' and tinsmiths' work, bootmaking, tailoring, the making of cane furniture and matting, coir mats, brooms, door rugs, rope, string, coal bags, bamboo tats, &c., laundry work, printing, bookbinding, and masons' work.

The prisoners at Mahara are exclusively employed in the quarries on account of the Harbour Works and Public Works Departments, and supplied 2,019 cubes of metal to the Public Works Department, while 457 cubes of metal, 5,571 cubes of rubble, and 118,248 dressed stones were supplied to the Harbour Works Engineer. Kandy supplied 675 cubes of metal to the Public Works Department. Metal was also supplied from the Anuradhapura, Galle, Tangalla, Badulla, and Chilaw jails.

With the available labour for reclamation work on the Karaiyur reclamation at Jaffna, the work has progressed most satisfactorily. During the year 8 acres were reclaimed, making a total of 27 acres up to date.

The convalescent prisoners at Negombo are employed on basket making for Government Departments, and supplied 27,188 baskets during the year.

Hambantota and Ratnapura jails, which were temporarily reopened on account of the riots in 1915, were closed, as was also the temporary jail at Welikada.

Owing to the high sick rate at Mahara during the early part of the year, due to extreme drought, the old bathing tank and wells were condemned, and a good and sufficient water supply laid on to the jail from the Ragama pumping station. Ample supplies are now forthcoming for all purposes. In place of the old bathing tank, cast iron troughs have been erected on cement platforms. The old kitchen was pulled down and a new up-to-date fly-proof building put

up in its place. Since these improvements, the percentage of admissions to hospital of men suffering from bowel complaints has been reduced to 33·08 per cent., as against 50·66 per cent. before the improvements were made.

Additional accommodation is now in course of construction at Mahara, in order to meet the demands for increased labour by the Public Works Department.

## X.—VITAL STATISTICS.

### POPULATION.

Estimated on the basis of the Census of 1911, the population (exclusive of the military and shipping) at the end of 1916 was about 4,547,200, an increase of nearly 122,900 on that of the previous year, due to an excess of about 54,800 births over deaths and 68,100 arrivals over departures of Indian coolies.

The population comprised the various nationalities shown below :—

Nationality.	Number.	Percentage of Total Population.
Sinhalese .. .. .	2,892,900 ..	63·6
Tamils .. .. .	1,314,000 ..	28·9
Moors .. .. .	274,000 ..	6·0
Burghers .. .. .	28,300 ..	·6
Malays .. .. .	13,800 ..	·3
Europeans .. .. .	7,600 ..	·2
Others .. .. .	16,600 ..	·4

To every 100 females there are 113 males in Ceylon. In England and Wales the proportion is 94.

### MARRIAGES.

The marriages registered during the year corresponded to a rate of 12 persons married per 1,000 of the non-Muhammadan population at all ages, an increase of ·5 on the average for the past ten years, though 2·4 less than the rate in 1915, when an extraordinarily large number of unions was contracted.

### BIRTHS.

The birth-rate was 39 per 1,000 of the population, and was the highest recorded during the past five years. The average rate for the past decade was 37·3, which is considerably higher than the rate in England and Wales. There were 105 male to every 100 female births, this rate approximating to the English rate.

### DEATHS.

The death-rate was 26·8 per 1,000 of the population, and was 1·6 higher than the rate in the previous year, though 3·9 less than the average. The proportion of deaths to the population in Ceylon is similar to the rates which obtain in Bombay Presidency, Bengal, and British Guiana, but is more than double the rate in England and Wales.

The tea, rubber, and cacao estates at the end of the year contained a population of about 766,700, mostly Tamil immigrants from Southern India. The death-rate in estates was 38·4, against an average of 35·6.

The urban death-rate was 28 per 1,000, as in the preceding year, against 29·4 the average for the preceding seven years. Excluding Nuwara Eliya, the healthiest town was Panadure, with a rate of 17·4, and the unhealthiest was Mullaivittu, with 47·9.

### *Infantile Mortality.*

184 infants under one year died to every 1,000 born, against an average of 195. The estate infantile mortality rate was 232 per 1,000 births and the urban 227.

*Causes of Death (General).*

The proportion of deaths in the general community from certain principal causes to a million of the estimated population was as follows:—Infantile convulsions, 3,029; diarrhœa, 2,473; bronchitis and pneumonia, 1,289; phthisis and other forms of tuberculosis, 953; dysentery, 816; anchylostomiasis, 559; malaria and malarial cachexia, 420; premature birth and congenital defects, 342; enteric fever, 127; and cancer, 94.

Plague was responsible for 285 deaths, more than double the number recorded in 1915.

98 deaths per million were due to accidental drowning, 83 to falls from trees, and 49 to snake bite.

50 deaths per million were attributed to suicide, 38 to homicide, and 6 to judicial executions.

*Causes of Death on Estates.*

The chief causes of mortality on the estates were, per million of the estate population: Diarrhœa, 3,537; debility under three months of age, 3,454; debility over three months of age, 1,414; bronchitis and pneumonia, 3,064; dysentery, 3,038; anchylostomiasis, 2,836; infantile convulsions, 2,035; premature births and congenital defects, 691; malaria and malarial cachexia, 630; and phthisis, 369.

*Causes of Death in Towns.*

In the 33 towns in the Island (inclusive of Colombo) pneumonia accounted for 3,482 deaths per million of the urban population, phthisis and other tubercular diseases for 2,530, convulsions for 2,501, diarrhœa for 2,101, malaria and malarial cachexia for 1,574, anchylostomiasis for 1,458, dysentery for 1,355, enteritis for 1,001, enteric fever for 713, bronchitis for 622, and cancer for 136.

**PLAGUE.**

122 cases of plague were treated in the medical institutions of the Island during 1916, as compared with 52 cases in 1915 and 437 in 1914. Of these, 88 cases with 64 deaths were admissions to the Infectious Diseases Hospital. 12 cases with 11 deaths occurred in the Western Province, outside the Colombo Municipal limits, all of whom may be regarded as having been infected within the Municipal limits, being persons whose work or business required their presence in infected localities in the city. One passenger on a train died at Moratuwa, 5 cases occurred among people living in or near Panadure, the infection being from Colombo. Infection from Colombo was responsible also for 5 cases which occurred in Beruwala. Five cases occurred in the Northern Province, all of these being passengers from Colombo. Two were found dead in the train *en route* for India. No cases occurred where local infection could be suspected in the Northern Province. In the Central Province 6 cases occurred, viz., 2 at Kadugannawa, people living in close proximity to the railway goods sheds, and 4 at Hatton. Three of the latter cases were among persons from infected localities in Colombo, the fourth case being direct infection of the Dikoya hospital mortuary cooly from contact with one of the imported cases. No cases occurred in the North-Western, Southern, North-Central, Eastern, Uva, or Sabaragamuwa Provinces.

As regards plague in Colombo, the improvement as regards incidence, which was observed during 1915, was not maintained during 1916, there being 291 cases recorded, as against 138 in 1915. Although more widespread, the cases were not so numerous as in 1914, when 413 cases were recorded.

Instead of the succeeding years showing a diminution of the virulence of the disease, as was hoped might be the case, the contrary has been experienced. Thus, the total case mortality, which was 92·2 per cent. in 1914, was 92·8 per cent. in 1915 and 93·8 per cent. in 1916.

The following are the chief statistical data for the three years :—

	1914.	1915.	1916.
Total cases .. ..	413	139	291
Total deaths .. ..	381	128	273
Septicæmic cases .. ..	247*	81*	159
Septicæmic deaths .. ..	246	80	159
Bubonic cases .. ..	166	58	132
Bubonic deaths .. ..	135	48	114
Total case mortality per cent. ..	92.2	92.8	93.8
Septicæmic mortality per cent. ..	99.6	98.7	100
Bubonic mortality per cent. ..	81.3	82.7	86.4

\* The cases for 1914 and 1915 each include one septicæmic recovery, but the diagnosis was not in either case confirmed bacteriologically, and may have been erroneous.

The following table shows the monthly incidence of cases during each year :—

	1914.	1915.	1916.
January .. ..	4	19	17
February .. ..	67	6	18
March .. ..	58	3	18
April .. ..	28	3	14
May .. ..	29	3	11
June .. ..	49	1	36
July .. ..	47	5	43
August .. ..	40	20	35
September .. ..	18	21	25
October .. ..	23	24	24
November .. ..	24	10	25
December .. ..	26	24	25
Total .. ..	413	139	291
Monthly Mean .. ..	34.4	11.5	24.2

As in the two previous years, the largest number of cases occurred amongst young adults, males being attacked more frequently than females.

Similarly, the chief focus of infection as regards both rat and human plague was again situated in the Sea street area. During 1916 there were, in addition to the main Sea street centre, five other outbreaks, viz., in Kehelwatta, Silver-smith street, Grandpass road, Skinner's road-south, Marichchikkade, and Short's road. In addition to these, there were a few sporadic cases throughout the town, notably in Modara, which, owing to its outlying and isolated situation, was one of the latest parts of the town to become infected. As regards the persistence of the Sea street area as the chief focus of infection, this is probably associated with (a) the existence of an old system of underground insanitary rain-water drains which are much infested with rats; and (b) the fact that the bulk of the private wholesale grain stores, in none of which has any attempt at rat proofing been made, are situated within this area. As regards the other centres of infection, there is, as was observed in the two previous years, one striking feature common to them all, viz., the existence of crowded insanitary tenements which are invariably found to be infested with rats.

The same preventive measures as hitherto were carried out, reliance being placed chiefly upon isolation of patients in hospital, segregation of contacts, evacuation of insanitary tenements in infected localities pending the carrying out of structural improvements, pesterining of infected and adjoining houses, and capture and destruction of rats, including trapping, poisoning, and fumigation of rat runs by Clayton machines, six of which are now in use. Anti-plague vaccination proved to be so unpopular that it has practically been abandoned, and the stock of serum which was obtained by the Municipality from Bombay has had to be destroyed.

The comparative absence of the usual signs of an epizootic amongst the rats was again a striking feature, but the very limited amount of work which has been possible in the matter of opening up rat runs indicates that most of the affected rats die within and remain concealed in their runs.

*Rat Catching.*

	1915.	1916.
Number of rats trapped and found dead ..	147,198 ..	146,751
Number of poison baits placed ..	3,913,944 ..	3,171,655
Number of poison baits eaten or removed by rats ..	734,697 ..	509,414
Number of rats sent to Bacteriologist ..	23,187 ..	22,476
Number of rats found infected ..	57 ..	62

CLIMATE.

*General Remarks.*—There is a marked variation in climate between the different parts of Ceylon. In the low-country, with a mean temperature of about 80° F., a noticeable feature is the small range of both temperature and pressure; there is, however, wide divergence between the moist conditions in the south-west of the Island, where the average annual rainfall varies from 100 to 200 inches, and the dry zone areas of the north, north-west, and south-east.

Inland, with altitudes reaching 8,000 feet, the temperature is cooler, and shows a bigger range; there is a corresponding change in vegetation, and the conditions are altogether more akin to those in the temperate zone.

*Rainfall.*—The highest annual rainfall registered was at Avissawella, which had a total of 208·17 inches and 182 days on which rain fell. The lowest annual rainfall was at Ettalai resthouse, which had a total of 25·99 inches in 45 days. The stations with the highest and lowest average annual rainfall are, respectively, Padupola with 219·53 inches in 200 days, and Pomparippu resthouse with 36·89 inches in 57 days. The longest drought occurred at Galgamuwa resthouse, lasting for 78 days, November 28, 1915, to February 13, 1916. The longest wet period occurred at Strathellie estate, Ambegamuwa, lasting for 54 days, July 3 to August 25.

The total rainfall at Colombo (Cinnamon Gardens) was 90·57 inches in 183 days. At Kandy 75·12 inches were registered in 178 days, while the total rainfall at Nuwara Eliya was 77·51 inches in 187 days. The rainfall for the year for the country to the west of a line drawn midway between Chilaw and Puttalam to a point little east of Matara was in decided excess. The remainder and the much larger portion of the Island was as decidedly in deficit.

*Temperature.*—The station showing the highest mean shade temperature for the year was Trincomalee with 83·3° F., and the lowest Nuwara Eliya with 59·6° F. The figures for Colombo and Kandy were 80·1° F. and 76·4° F. respectively.

The highest shade temperature recorded during the year was 101·0° F. at Trincomalee on April 20. The highest on record is 103·7° F. at Trincomalee on May 12, 1890. The highest shade temperature at Colombo in 1916 was 91·6° F. on December 8.

The mean daily range, *i.e.*, the difference between the mean of the maximum and the mean of the minimum, was highest at Nuwara Eliya (19·9° F.), and lowest at Galle (8·6° F.). At Colombo and Kandy it was 12·4° F. and 16·4° F. respectively. The absolute range for the year, *i.e.*, the difference between the highest and the lowest readings actually recorded, was greatest at Nuwara Eliya (46·8° F.), and lowest at Galle (20·8° F.)

XI.—POSTAL SERVICE.

No new post offices were opened during the year 1916. One at Pinnawela, Sabaragamuwa, was closed owing to insufficiency of business. Four additional village receiving offices and two railway receiving offices were opened. Four additional postal telegraph offices were opened, and one railway telegraph office made available for public traffic. At the end of the year the total number of offices of all classes was 513, of which 185 were telegraph offices.

The number of articles, exclusive of parcels, which passed through the post in 1916 is estimated at 43½ millions, as against 46½ millions in 1915 and 49½ millions in 1914. The number of parcels dealt with was the highest on record, viz., 753,837, an increase of 36,020 over the figures of the previous year. Of these, 43,230 were to or from the United Kingdom, an increase of 6,405.

The total number of telegrams dealt with was also the highest on record. The figures for 1915 and 1916 were :—

		1915.	1916.
Inland .. .. .	..	971,620 ..	1,127,256
Indian .. .. .	..	225,625 ..	252,721
Other countries ..	..	110,357 ..	116,137
Total ..		<u>1,307,602</u>	<u>1,496,114</u>

The previous highest total was 1,380,195 in 1914.

*Mail Services.*—A motor mail contract service superseded the horse coach service on the Talawakele-Lindula-Agrapatana line. There are now three motor services performed for the Department by the Ceylon Government Railway, and eight motor services performed by private contractors.

Runner services were replaced by a bicycle service between Hambantota and Tissamaharama, and a hackery service between Galle and Nakiyadeniya.

Owing to the suspension of the Orient Line sailings, the English mail was received and transmitted fortnightly *via* the Indo-Ceylon Railway between Bombay and Colombo alternately with the usual fortnightly delivery by P. & O. steamers.

The parcel post service with Russia had to be suspended owing to transport difficulties caused by the war.

An express letter delivery service was inaugurated in Colombo.

*Post Office Savings Bank.*—The maximum allowed to be deposited in any one year was raised from Rs. 300 to Rs. 750, exclusive of one withdrawal repaid, and the total interest-bearing deposit allowable raised from Rs. 1,500 to Rs. 3,000.

Sanction was obtained for the acceptance of stamped slips for deposits, and for the withdrawal of sums not exceeding Rs. 10 at any post office without reference to the head office.

A telegraph deposit account system was inaugurated at the Central Telegraph Office, Colombo.

*Telephones.*—Telephone exchanges were opened at Kelaniya, Ragama, and Negombo, and public call offices at Horana, Ingiriya, Ragama, Matale, and Pussellawa.

Seven licenses were granted for the installation of private telephone systems.

There was a steady increase in the number of subscribers to the Post Office Telephone System. The number of connections to the Colombo Exchange on December 31 was 1,495, Kandy 73, Nuwara Eliya 72, Galle 46, Kalutara 22, Negombo 18. There are five other smaller Government exchanges.

New trunk lines were completed between Polgahawela and Kandy (30 miles) (to complete the duplication of the Colombo-Kandy trunk line) and between Kandy-Wattegama-Matale (21 miles).

Junction lines were constructed between (1) Wattegama and Elkaduwa (8 miles); (2) Gampola and Pussellawa (11 miles); (3) Nuwara Eliya and Kanda-pola (6 miles); (4) Hatton-Kotagala-Talawakele (8 miles); (5) Pundaluoya-Watagoda-Talawakele (12 miles); (6) Kotmale and Nawalapitiya (7 miles).

*Telegraph Routes.*—An additional telegraph line was run from Colombo to Avissawella (36 miles) and one constructed between Matara and Akuressa (13½ miles) during the year. Eight additional sections of the Railway were equipped with the Tyer's tablet apparatus.

## XII.—PUBLIC WORKS.

## PUBLIC WORKS DEPARTMENT.

The total expenditure of the Public Works Department has increased from Rs. 3,437,862 in 1896 to Rs. 9,797,672 in 1916, the latter figure showing an increase of Rs. 2,733,207 over 1915. The average annual expenditure during the past twenty-one years has been Rs. 5,648,460.

The total length of roads maintained by the Public Works Department during the year was 4,026 miles, of which 3,747 miles are cart roads and 279 miles are bridle roads.

Amongst the more important works carried out or in course of construction may be mentioned the following :—

*General.*—Bungalows for Government officers stationed in Colombo; grain sheds, Colombo; quarters for Police Magistrate, Matara; office for the Assistant Conservator of Forests, Haputale; quay wall, additional jetty, and export shed, Galle Customs; improvements to Customs, Colombo; office and quarters for District Engineer, Panadure; quarters for District Engineer, Maradan-kadawala.

*Medical Buildings.*—New Lunatic Asylum, Angoda; new Merchants' Ward, General Hospital, Colombo; new hospitals at Pimbura, Chilaw, Passara, Alutnuwara, Kitulgala, Kahawatta, and Aranayaka; additions to the hospitals at Buttala, Kegalla, Kolonna, and Lunugala; and new dispensaries at Watawala, Baduluwela, Hambegamuwa, and Kahataruppe.

*Police Buildings.*—Police station and barracks, Panadure; police barracks, Kurunegala; and quarters for police at Avissawella.

Progress was also made with the Colombo Lake Development Scheme; construction of a quarantine camp for coolies at Mandapam, South India; and the Karaiyur reclamation, Jaffna.

## IRRIGATION.

The total expenditure of the Irrigation Department for the financial year 1915-16 was Rs. 745,500.

The schemes under construction were Karachchi, Unnichchai, Pattipola-arū, and Kirindi-oya right bank. Work on Tabbowa scheme, which was closed down at the end of the last financial year, has not been re-started.

Surveys were made in connection with the following schemes :—Giant's tank, Kirindi-oya right bank, Walawe left bank, Nalanda-oya, Karachchi, Unnichchai, Pattipola-arū, Kantalai, Allai, and Nachchaduwa.

The area irrigated and paying rate under the Crown works is 123,844 acres; in addition, there is a large area irrigated free. A considerable area of irrigable land is ready for development.

## SURVEY.

The operations of the Survey Department for the period under review, with the staff reduced owing to the war, comprised 70,436 acres of block surveys and 77,620 acres of topographical surveys with block survey insets for settlement purposes.

The number of block survey preliminary plans issued was 64, containing 3,853 lots covering an area of 24,373 acres. The number of topographical preliminary plans issued with block survey insets was 4, containing 183 lots covering an area of 83,550 acres.

The total area now covered by block survey is 2,129,850 and by topographical survey with block survey insets 1,093,380 acres, making a total of 3,223,230 acres.

138 final village plans for 73,273 acres in 2,919 lots were issued to the Government Agents and the Assistant Government Agents during the year. The total area covered by final village plans in the hands of the Government Agents and their Assistants now stands at 718,852 acres contained in 25,447 lots, or 1,717 final village plans.



1,318 preliminary plans for 14,888 acres in 5,001 lots were forwarded to the Government Agents and their Assistants.

There have been 37 applications to purchase Crown land for rubber cultivation dealt with during the period, totalling 461 acres. Most of them lie in the Western and Southern Provinces.

Many surveys have been carried out for acquisition in connection with important public purposes.

Extensive surveys for dealing with the irrigable lands under Vakaneri tank in the Eastern Province and forest reserves in the Northern Province were carried out.

The topographical flat map survey of the Province of Sabaragamuwa was completed.

#### RAILWAY DEPARTMENT.

##### *Open Line.*

The total length of line open for traffic was 705½ miles, or 13½ miles in excess of the previous year, due to the opening of two sections, viz., Madampe to Chilaw on the broad gauge and Ratnapura to Dela on the narrow gauge.

The receipts for the year amounted to Rs. 18,014,543, or an increase of Rs. 1,575,298 as compared with last year.

In passenger traffic the total number of passengers conveyed shows an increase of 1,726,063, coolie traffic contributing no less than 63,346 coolies.

The weight of goods conveyed during the year was 1,210,635 tons, as against 1,043,543 tons in the preceding year. Of this, 107,491 tons represent the weight of foreign goods conveyed between Colombo and India *via* Talaimannar.

The principal increases are under the heads of Rubber 3,804 tons, Rice 23,771 tons, Fruit and Vegetables 3,612 tons, Plumbago 12,320 tons, Manure 58,898 tons, Sundry Goods 47,985 tons, and Foreign Goods 19,501 tons. There has, however, been a falling off in Tea and Packing of 1,806 tons and 3,082 tons respectively.

The expenditure for the year was Rs. 7,944,893. This includes a sum of Rs. 56,126 spent on new works and charged to ordinary working expenses.

The result of the year's working stands as follows:—

	Rs.
Receipts .. .. .	18,014,543
Working expenses .. .. .	7,944,893
Balance .. .. .	11,021,089

Of this balance, a sum of Rs. 805,082 was expended on new works and improvements and added to capital account.

The capital cost of the Railway to September 30, 1916, was Rs. 130,044,966, and the capital outstanding on Railway Loans Rs. 56,069,986.

During the year 3 Nanu-oya engines, 4 shunting engines, and 160 passenger and goods vehicles were put into use.

##### *Railway Extensions.*

On March 1 the Chilaw Railway was opened for all descriptions of traffic to Madampe, also for goods only to Kakkapalliya and Chilaw. On May 1 His Excellency the Governor opened the whole line for all traffic to Chilaw.

On April 3 the Pelmadulla extension was opened for goods only to Dela station, and a large traffic is being obtained. Good progress was made on the remainder of the extension.

Steady progress was made on the Badulla extension, especially between Bandarawela and Naulla.

The survey and estimate of the proposed line between Chilaw and Puttalam was finished.

The survey of the proposed line between Horana and Agalawatta was completed; and the survey of the line between Katukurunda and Agalawatta was well in hand, and will be completed about May, 1917.

The survey and estimate of the proposed harbour rail connection was completed, and application for the acquisition of land is being made.

On the Main line duplication good progress was made with the earthwork and masonry between Ragama and Veyangoda.

At the end of 1916 the work in Colombo under the Stations extension scheme was in a forward state.

Three large broad gauge goods sheds and yards are now in use, also two large sheds and yards to accommodate narrow gauge traffic.

The new Fort Station, Colombo, was partially prepared for traffic, but was not brought into use during the year under review.

#### COLOMBO DRAINAGE WORKS.

The drainage of Colombo has been undertaken by Government at the request of the Municipal Council, the necessary funds being advanced by Government on loan, while further assistance is being given by the contribution of a part of the expenditure as a free grant.

The scheme provides for a complete system of sewers and rain-water drains throughout the city, and for the disposal of the sewage by bacterial treatment upon modern lines.

At the end of 1916 122 miles of sewers and rain-water drains had been laid, and 5 pumping stations brought into regular operation.

The City Sanitation Engineer's report for December showed that 24 public water-carriage latrines had been constructed and put into use, and that 968 other premises had been drained.

#### XIII.—EXCISE.

The Excise Department is now in the fifth year of its existence.

The sanctioned strength of the Department in 1915 was 1 Excise Commissioner, 1 Deputy Commissioner, 4 Assistant Commissioners, 1 Excise Adviser, 2 Superintendents, 13 Assistant Superintendents, 1 Distillery Officer, 101 Inspectors, and some 227 Peons, in addition to a Clerical Staff.

The Deputy Commissioner continued to act as Excise Commissioner, in addition to his own duties.

The rules governing the constitution and procedure of Excise Advisory Committees were amended by providing for a majority of unofficial members on the Committees. New Committees were created for Negombo and Chilaw.

To prevent the "cocaine habit" from spreading in Ceylon, new notifications regulating the importation, fees, periods, restrictions, conditions, and forms of license for the sale and possession thereof were passed. The regulations affecting its possession and sale by medical practitioners were so framed as to allow a *modus operandi* in their case.

Stringent measures were also taken to put down the use of every part of the hemp plant (*cannabis indica* or *sativa*), *e.g.*, in forms commonly known as ganja and bhang. The import, export, and possession of these or any other preparation or admixture of each were prohibited in 1914. The regulations as they now stand prohibit this drug, with exceptions in favour of corn paints, corn plasters, bromidia, chlorodyne, and tinctura chloroformi et morphinæ composita.

The efforts of the Department to put down the use of ganja and bhang or any preparation thereof have resulted in prosecutions during 1916 as follows:—

Number of cases decided	..	..	339
Number of persons convicted	..	..	289
Total fines and forfeitures	..	..	Rs. 38,826-21

Illicit practices, such as distillation and the sale and possession of liquor by unauthorized persons and Excise offences generally, are being strongly repressed,

and considerable success has been achieved in this direction. The system of offering rewards for good work has been an inducement to satisfactory preventive work.

The constant supervision of the Excise Staff and the fear of detection on the part of the culprit have tended to reduce the number of offences against Excise law. The number of detections in 1916 was 3,981, of which 1,742 were compounded for Rs. 20,055. The prosecutions in courts resulted in fines and forfeitures amounting to Rs. 128,937·57, exclusive of other punishment, such as imprisonment, &c. The number of detections in 1915 was 4,113, of which 1,538 were compounded for Rs. 21,509·55. In 1915 the amount of fines and forfeitures was Rs. 121,268·47.

There has been an increase in the sums bid for the various arrack and toddy rents for the financial year 1916-17 as compared with those of 1915-16, thus :—

		Arrack. Rs.		Toddy. Rs.
1916-17..	..	7,807,658	..	1,459,772
1915-16..	..	6,747,378	..	973,844

The causes of this increase are, among others, decrease in illicit practices detrimental to *bona fide* licensees, recovery from the first shock of the war, and the great prosperity of the tea, rubber, and plumbago industries.

The fees obtained in the financial year 1916-17 by the issue of foreign liquor licenses, which are assessed on a system of gallonage or business done, amounted to Rs. 144,280·50. The revenue derived from this source for the financial year 1915-16 was Rs. 144,280.

The general conditions applicable to all Excise licenses remained the same.

The arrack and toddy rent sale conditions were revised, with minor additions, for the financial year 1916-17.

In 1916 there has been a rise in the consumption of arrack and toddy. Doubtless the high prices payable for foreign liquor have led to increased consumption of the cheaper beverages, arrack and toddy :—

		Arrack. Gallons consumed.		Toddy. Gallons consumed.
1916 ..	..	1,286,367	..	3,998,645
1915 ..	..	1,212,828	..	3,144,872

219 private distilleries were licensed in the year 1916, as against 247 in 1915. The Distillery Area is a narrow belt of sea coast extending about 100 miles south and east from Panadure. Increased supervision and control have been exercised over these distilleries.

In 1916 there were 108 successful prosecutions (as against 53 in 1915) by officers of the Distillery Circle. The fines imposed by courts in cases instituted by the Superintendent of Excise, Distillery Circle, amounted to Rs. 16,344·50. Apart from this, the fees imposed on account of compounded offences in the Distillery Area amounted to Rs. 1,354.

The Government Experimental Distillery at Kalutara worked for a short period in 1916, and useful information and data were gathered from the various experiments made there.

The Distillery which was erected at Point Pedro by the Ceylon Sugar Refineries, Limited, to distil non-potable alcohol, was licensed, and started work in the latter part of the year 1916. The spirit obtained has been distilled from molasses.

A Commission was appointed during the year to inquire into and consider the arrangements for the manufacture and sale of spirits in the Colony. The Commission had not sent in its report at the close of the year.

May, 1917.

R. H. WHITEHORN,  
Acting Third Assistant Colonial Secretary.



## COLONIAL REPORTS, &c.

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### ANNUAL.

No.	Colony, &c.	Year.
897	Seychelles .. .. .	1915
898	Bechuanaland Protectorate .. .. .	1915-1916
899	Gibraltar .. .. .	1915
900	Bahamas .. .. .	1915-1916
901	Swaziland .. .. .	"
902	Somaliland .. .. .	"
903	Cyprus .. .. .	"
904	Ceylon .. .. .	1915
905	Straits Settlements .. .. .	"
906	Grenada .. .. .	1915-1916
907	Falkland Islands .. .. .	1915
908	Bermuda .. .. .	"
909	Jamaica .. .. .	1915-1916
910	British Guiana .. .. .	1915
911	Basutoland .. .. .	1915-1916
912	Barbados .. .. .	"
913	Leeward Islands .. .. .	"
914	Uganda .. .. .	"
915	British Honduras .. .. .	1915
916	Mauritius .. .. .	"
917	Northern Territories of the Gold Coast .. .. .	"
918	St. Lucia .. .. .	1915-1916
919	Nyasaland .. .. .	"
920	Nigeria .. .. .	1915
921	East Africa Protectorate .. .. .	1915-1916
922	Gilbert and Ellice Islands .. .. .	"
923	Hong Kong .. .. .	1916
924	Weihaiwei .. .. .	"
925	Zanzibar .. .. .	"
926	Fiji .. .. .	"
927	Turks and Caicos Islands .. .. .	"
928	Cayman Islands .. .. .	1915-1916
929	Seychelles .. .. .	1916
930	Trinidad and Tobago .. .. .	"
931	Gibraltar .. .. .	"
932	Bahamas .. .. .	1916-1917
933	St. Helena .. .. .	1916

### MISCELLANEOUS.

No.	Colony, &c.	Subject.
79	Northern Nigeria .. .. .	Mineral Survey, 1907-8 and 1908-9.
80	Nyasaland .. .. .	Mineral Survey, 1908-9.
81	Southern Nigeria .. .. .	Mineral Survey, 1908-9.
82	Imperial Institute .. .. .	Rubber and Gutta-Percha.
83	Southern Nigeria .. .. .	Mineral Survey, 1910.
84	West Indies .. .. .	Preservation of Ancient Monuments, &c.
85	Southern Nigeria .. .. .	Mineral Survey, 1911.
86	Southern Nigeria .. .. .	Mineral Survey, 1912.
87	Ceylon .. .. .	Mineral Survey.
88	Imperial Institute .. .. .	Oilseeds, Oils, &c.
89	Southern Nigeria .. .. .	Mineral Survey, 1913.
90	St. Vincent .. .. .	Roads and Land Settlement.

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COLONIAL REPORTS—ANNUAL.

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No. 971.

CEYLON.

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REPORT FOR 1917.

(For Report for 1916 see No. 934.)

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*October, 1918.*

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## CONTENTS.

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Map of Ceylon.	PAGE
I.—General .. .. .	1
II.—Financial .. .. .	6
III.—Agriculture and Industries .. .. .	6
IV.—Trade .. .. .	13
V.—Shipping .. .. .	20
VI.—Legislation .. .. .	21
VII.—Education .. .. .	23
VIII.—Public Health, Vital Statistics, &c. .. .. .	25
IX.—Police and Crime .. .. .	29
X.—Post and Telegraphs .. .. .	34
XI.—Public Works .. .. .	36
XII.—Excise .. .. .	39







## REPORT ON THE CEYLON BLUE BOOK FOR 1917.

### I.—GENERAL.

THE Colony was administered throughout the year by Sir John Anderson, G.C.M.G., K.C.B.

The Hon. Mr. Ambalavanar Kanagasabai, until 1916 First Tamil Member of the Legislative Council, received the honour of Knighthood; and the Companionship of the Most Distinguished Order of St. Michael and St. George was conferred on Mr. A. S. Pagden, Controller of Revenue.

The deaths of the following are recorded with regret :—Second Lieutenant D. W. Arnott, Second Lieutenant T. A. Carey, and Second Lieutenant H. W. Milligan, all of the Ceylon Civil Service, killed in action; Mr. J. S. de Saram, Office Assistant, Matara; Mr. L. B. Clarence, late Senior Puisne Judge; Mr. J. S. Bowes, late Superintendent of Police; Mr. G. Grenier, I.S.O., late Registrar of the Supreme Court; Mr. H. Mooyart, C.C.S.; and Mr. C. C. M. Fyers, late Superintendent of Surveys.

The following retired from the Public Service during the year :—Mr. J. H. Campbell, Master of the Dredger "Sir John Coode"; Mr. A. Harvie, Senior Pilot, Colombo; Mr. J. W. Robertson, Assistant Superintendent of Surveys; Mr. J. Howison, Assistant Traffic Manager, Ceylon Government Railway; Mr. L. Shipton, Superintendent of Surveys; and Mr. J. E. de Silva, Police Magistrate, Kalutara.

In February Mr. M. Stevenson, C.C.S., was appointed Chief Secretary to the Government of Cyprus.

The following gentlemen were appointed by the Governor in January, 1917, to be Unofficial Members of the Legislative Council :—Mr. Noordeen Hadjar Mohammed Abdul Cader; Dr. Hilarion Marcus Fernando, M.D., B.Sc.; Meedeniya Rajakaruna Senanayake Pandita Herat Mudianseralahamillage John Henry Meedeniya, Dissawa; Mr. Arunachalam Sapapathy; and Mr. Wickelia Oswald Christopher Dissanayaka Tillekeratne. The Hon. Mr. P. Ramanathan, K.C., C.M.G., was re-elected to represent the Educated Ceylonese in the Legislative Council. In September Mr. E. R. Williams was appointed to act as Urban European Member of the Legislative Council, during the absence of the Hon. Mr. H. Creasy from the Island.

Considering that this is the third year of the great European war, it has been, on the whole, one of very fair prosperity. The effects of the war have, however, undoubtedly been felt more than in the past two years, and there are signs that they will be more felt still in the future. The Colony has had to face this year a general rise of prices, depression in trade, particularly with regard to certain industries, considerable financial stringency, difficulties with exchange, shortage of freight, and a certain amount of want of employment and consequent distress. Notwithstanding this, the total volume of Ceylon trade has been larger than ever before, with the exception of the year 1916, and several of the more important industries have had a very good year. The problem is largely one of adjustment to meet altered circumstances; the community as a whole has faced it with determination, and with a very fair measure of success.

The question of exchange has caused a considerable amount of anxiety during the year. In normal times, as is well known, the export and import trade of the Island is almost entirely financed by remittances from London to India

by means of the sale of Indian Council drafts. Towards the end of the year 1916 the Government of India found itself forced to restrict the sale of these drafts. The immediate result was that the arrangements for maintaining the exchange between the United Kingdom and India, and consequently between the United Kingdom and Ceylon, India being the channel of exchange for Ceylon, broke down. It at once became necessary to take steps to relieve the immediate pressure on the exchange banks. This was partly effected in January, 1917, by the Government resorting to the expedient of issuing new currency notes to the banks, in exchange for credit in London, a method of procedure which was ultimately legalized by Ordinance No. 1 of 1917, authorizing the holding of a portion of the currency reserve in London. New currency to the extent of Rs. 9,000,000 was issued at this period. The failure of the exchange naturally caused grave dislocation of trade, and the situation was serious for some time, but it was further relieved, at a slightly later date, by an arrangement under which buyers agreed to accept payment in sterling in London. At the same time the Government agreed to accept the payment of export duties in sterling at the offices of the Crown Agents for the Colonies in London. This arrangement, however, can only be considered a palliative, as, though it enables export trade to be carried on, it does not provide means for bringing to the Colony money required for the upkeep of estates and for other domestic purposes, but rather adds to the indebtedness of London to Ceylon. The exchange banks allowed plumbago exporters to draw for the full value of their exports, owing to the national importance of this product, but in the case of tea, rubber, coconut, and other produce they were only able to allow estates to draw sufficient for bare upkeep.

About the middle of the year another situation arose which threatened to become very serious. Ceylon has to pay India a sum of something like ten lakhs weekly for rice and other food stuffs. For the reasons indicated above, the exchange banks, having only limited funds to bring over from India to Ceylon, found themselves unable to issue drafts on their Indian branches to meet the demand for remittances on account of payments for rice and other important food stuffs. An increase in the issue of Council drafts would have put the banks in funds in India; but this, the only real solution of the difficulty, has been found to be impracticable, and will, it is feared, remain so for the duration of the war. As a temporary measure, the Government transferred a portion of its gold reserve to the Bank of Madras in exchange for credit in India, and arranged with that bank to issue drafts up to the amount of this credit, until an arrangement could be effected with the Government of India for dealing with the situation. This was ultimately done by an agreement by which the Indian Government arranged to place ten lakhs of rupees to the credit of this Government weekly for six months, such credit to be utilized only in the purchase of food stuffs and by importers approved by the Principal Collector of Customs, who were permitted to draw upon this credit. This ten lakhs was to be paid for by a remittance of two lakhs in silver rupees weekly to India, and by the payment of the balance of eight lakhs to the Secretary of State for India in London. This arrangement, which came into operation on August 1, effected the purpose for which it was made. It was, however, found, towards the end of September, that the drawings on India had not been so large as had been anticipated, and, moreover, considerable sums of money had begun to be deposited to the credit of the Ceylon Government in India on account of the purchase of South Indian teas for the British Government by the Treasury Chest Officer, Ceylon, these transactions being financed, in the first instance, by the Colonial Government. It was decided, therefore, that, until these credits had been exhausted, the arrangements for the weekly credit of ten lakhs should remain in abeyance. This condition of affairs continued for the remainder of the year.

Another matter which has come very much to the fore during the year is that of the supply of food stuffs. Ceylon is to a very great extent dependent

upon India for its supply of rice and curry stuffs, the staple food both of the indigenous population and of the immigrant estate labourers. The annual import of rice amounts to between 7½ and 8 million hundredweights, and of this the greater part comes from India. So long as the exchange between the two countries remains stable there is no difficulty, and Ceylon is able to draw on India for all the rice she requires. Directly, however, exchange is interrupted, Ceylon ceases to be able to meet her liabilities, the import trade is affected, and, unless relief is forthcoming speedily, must cease altogether. The steps which have been taken to deal with the exchange question have already been indicated, but it has been felt that this is not of itself sufficient, and that every endeavour should be used to make Ceylon as far as possible self-supporting with regard to her food supplies. The question presented some difficulties, and all efforts to deal with the situation had to be largely experimental. Leaflets in the vernaculars have been printed and distributed throughout the country; seeds of good quality, especially of vegetables and of curry stuffs, were distributed through the Government Agents at the commencement of the north-east monsoon; the Government Agents have induced the cultivators to cultivate as large areas of paddy as possible; and every encouragement has been given to "chena" cultivation. Considerable assistance has been given by the Ceylon Agricultural Society in procuring and distributing seed; the Department of Education helped by increased encouragement of school gardens, and experiments with various curry stuffs, &c., were made at the experimental stations at Peradeniya and Anuradhapura. Special efforts were made to encourage the cultivation of suitable vegetables in all parts of the country. It is rather early yet to say what the results of these endeavours will be, but they have certainly led to an increased interest in the cultivation of food products, while there is evidence that much of the food and curry stuffs now imported could be grown locally. Pulses, onions, and chillies thrive well in most parts of the Colony.

The condition of the people has been fairly satisfactory on the whole, but less so than in 1916. In the tea and especially the rubber districts there has been no decrease of prosperity, but in the coconut districts matters have not been so favourable. The depression has been especially felt in the maritime districts from Chilaw to Hambantota, districts which before the war were among the most prosperous in the Island. There is not much actual distress so far, but many people have been reduced from a position of comparative affluence to the bare minimum sufficient for their sustenance. The failure of the plumbago market towards the close of the year has increased this tendency, not only in the vicinity of the mines, but also in the neighbourhood of Colombo, where most of the sorting and "curing" is carried on. In those districts which are devoted to the cultivation of paddy, the year has been, on the whole, decidedly prosperous, but a small rainfall in the early part of the year led to a partial failure of the crops in the Puttalam and Mannar Districts, and floods and unseasonable rains damaged the crops in Batticaloa and caused distress there. In the latter district it became necessary to start relief works, and to give advances for the purchase of seed paddy. Prices have unfortunately continued to rise, particularly those of imported food stuffs and luxuries. There has been no change worth noting in the general habits and customs of the people. There has been no noticeable increase in vagrancy due to unemployment, and the return for the whole Island of cases of house-breaking, theft of cattle, and theft generally, crimes which might be committed by persons in want, actually shows a slight decrease in 1917 as compared with 1916.

The following summary of some of the measures taken during the year in connection with the European war will be of interest :—

In November, 1915, the Legislature passed an Ordinance enabling the Colony to make a contribution of £1,000,000 to the mother country towards the cost of the war, payable in ten annual instalments. It was considered that the



time had come to increase this contribution, and accordingly a further Ordinance was passed in June, 1917, authorizing the Government to raise a loan not exceeding Rs. 15,000,000, and to place the amount so raised at the disposal of His Majesty's Government. Interest at the rate of 3 per cent. was to be paid, and also further sums were to be distributed by drawings of bonds annually by way of premia or prizes. Unfortunately, however, owing very largely to the depression which set in with regard to all industries connected with the cultivation of the coconut, the loan did not prove successful, and it became necessary to abandon the issue. The want of success of the loan made it impossible for Ceylon to contribute the £1,000,000 at once. It was accordingly decided to pay the money by instalments, in a somewhat similar manner to that in which the original contribution was paid, and the following resolution was passed by the Legislative Council on October 24 :—" This Council approves of the payment to His Majesty's Government of a sum of £1,000,000 as a further contribution towards the cost of the war, payment to be made within the next ten years by such instalments as may be found convenient." It was also decided that contributors to the proposed loan who wished to do so should be invited to allow their money to remain with Government for three years, Government paying interest meanwhile at the rate of 5 per cent. per annum. A sum of £100,000 was remitted to England as the first instalment of this second contribution of £1,000,000.

An Ordinance was passed towards the end of 1916 providing for the obligatory enlistment of all male British subjects of European birth between the ages of 18 and 50 under the "Volunteer" Ordinance. Registration of all male Europeans was carried out under the provisions of this Ordinance during the early part of the year, and special committees were appointed for the various divisions of the Island to deal with applications for exemption from service. The compulsory clauses came into operation in June, and the Ordinance has worked, on the whole, very satisfactorily. The Ceylon Planters' Rifle Corps and the Ceylon Light Infantry have been re-organized on the same lines as a British regiment. A Ceylon Railway Battalion has been raised and organized, and the Ceylon Artillery Volunteers and the Town Guard Artillery have been amalgamated into one corps under the title of the Ceylon Garrison Artillery. Camps were held at Diyatalawa for the Ceylon Mounted Rifles and for the Ceylon Planters' Rifle Corps between July 6 and September 14, and a camp was held in Colombo for the Colombo Town Guard. Quarterly camps of three days' duration each were held for the two former corps also, and at all camps training was carried out on the lines of a training reserve battalion in England.

Perhaps one of the most interesting features of the year in this connection has been the raising of a Ceylon Sanitary Company for service in Mesopotamia. The proposal to form such a company, which emanated in the first instance from Mr. A. H. Nathanielsz, District Engineer, Public Works Department, was gratefully accepted by the Army Council. The establishment of the company was originally fixed as follows :—1 Major, 2 Captains, 2 Lieutenants, 4 sergeants, 5 corporals, and 91 privates, and the work was to include the chlorination of water, selection of camp sites, and generally the supervision of sanitary arrangements at the advance base of the Expeditionary Force. The cost of the company was to be borne by colonial funds. The company was completed by the middle of July, and after a period of training at Diyatalawa left the Island for Bombay *en route* for Mesopotamia on September 10, disembarking at Basrah on the 27th of that month. That the company is giving a good account of itself may be inferred from the fact that since the end of the year the War Office have telegraphed three times for additional men, all of whom have been equipped and despatched.

In October, 1916, a committee, styled the Colombo Rivercraft Committee, was, at the request of the Government of India, constituted under the chairmanship of the Chairman of the Colombo Port Commission to assist in securing floating craft, plant, and men for service in Mesopotamia. The committee

has not been able to render much assistance in the way of floating craft, but some plant and material have been sent up, and 315 mechanics, consisting of 8 motor mechanics, 55 motor boat drivers, 38 motor boat driver mechanics, 3 turners, 77 fitters, 2 copper-smiths, 5 tinsmiths, 12 blacksmiths, 3 electricians, 4 carpenters, 107 marine ratings, and 1 butler have been sent; and also 50 railwaymen, including 7 drivers, 28 firemen, 3 machinists, 1 carriage examiner, and 11 boilermakers.

Since the commencement of the war it is estimated that approximately 200 Government servants have left the Island on war service, including 26 members of the Civil Service. 167 free passages have been granted by Government to Government servants and others proceeding to the front. The total number of persons who have left the Island on war service, including the Ceylon Contingent, the Ceylon Sanitary Company, and men recruited by the Rivercraft Committee, is approximately 2,750. This is, of course, a very rough figure, as it is obviously impossible to keep accurate statistics.

Commissions were appointed during the year as follows :—

- (1) To report upon what steps are necessary to secure the more expeditious despatch of business in the District Court of Colombo. (As a result of this Commission's findings, another Additional District Judge has been appointed for Colombo, making three Judges in all.)
- (2) To inquire into and report upon the desirability of introducing legislation for defining the person or class of persons to whom the *Tesawalamai* applies.
- (3) To report what amendments are desirable in the law relating to the registration of deaths.
- (4) To consider and report upon the recruiting of Indian labour for Ceylon, and especially upon the question whether it is desirable that a greater measure of control and supervision should be exercised by Government.

The following Committees were appointed :—

- (1) An Advisory Committee to regulate the affairs of the Technical School.
- (2) A Committee to inquire into the desirability of placing prisoners under the care of the Salvation Army.
- (3) A Committee to inquire into and advise upon all local orders for the importation of machinery and other materials from the United Kingdom for which there is a demand for war purposes. (The scope of this Committee was afterwards extended to include articles imported from India also.)
- (4) A Committee to inquire and report as to the adequacy of the scale of remuneration to notaries.
- (5) A Committee to examine and report upon the practice of trafficking in sterling drafts.
- (6) A Committee to advise as to what steps it is possible to take to facilitate the employment of natives of Ceylon in the higher ranks of the Public Service, and especially as to the question of securing local candidates for posts for which scientific and technical qualifications are required.

The Commission which was appointed in 1916 to "inquire into and report upon what measures are desirable to encourage such industries (other than agricultural) as exist in the Island, and to promote the establishment of new industries," continued its sittings throughout the year, and has issued a *resumé* of the work of its five Sub-Committees, indicating the progress made.

The "Local Government Commission," appointed in the same year, has finished its work and issued its report, and a comprehensive Ordinance giving effect to its proposals is now under consideration.

## II.—FINANCIAL.

## REVENUE.

The revenue collected during the period October, 1916, to September, 1917, amounted to Rs. 66,981,877, showing an increase of Rs. 4,146,177 over the estimate, and of Rs. 988,867 over the revenue of the previous financial year. The principal sources which contributed to the increase this year were the Customs and the Railway.

## EXPENDITURE.

The expenditure for 1916-17 was estimated at Rs. 63,573,051, but the amount actually spent was Rs. 64,335,670, which shows an increase of Rs. 8,231,155 over the expenditure of 1915-16. The increase is chiefly due to the expenditure on account of Ceylon War Services.

## ASSETS AND LIABILITIES.

The assets of the Colony on September 30, 1917, were Rs. 58,115,851, and the liabilities Rs. 19,984,358. The assets consist largely of advances to local bodies, and in particular to the Municipality of Colombo, the principal item among the liabilities being the Widows' and Orphans' Pension Fund.

## PUBLIC DEBT.

At the close of the financial period the public debt of the Colony stood at £5,501,018, or, approximately, one and a quarter times the annual revenue.

Of the loan of £3,436,854 authorized by Ordinance No. 6 of 1909 to meet the cost of the Colombo Harbour and Drainage Works, the Mannar Railway, and other public works, a sum of £1,500,000 was raised at 98½ in 1909-10 bearing interest at 3½ per cent., and a further sum of £1,000,000 was floated in 1914 at 99 bearing interest at 4 per cent.

## CURRENCY.

On September 30, 1917, the value of currency notes in circulation was Rs. 38,875,000, and the currency reserve on that date consisted of Rs. 7,850,337 coin in England, Rs. 2,572,500 in gold, Rs. 9,141,200 in silver, and Rs. 19,310,963 in British, Colonial, and Indian investments.

## CEYLON SAVINGS BANK.

The Ceylon Savings Bank had a sum of Rs. 3,798,480 to the credit of 38,408 depositors on December 31, 1917, against Rs. 4,107,917 to credit of 38,899 on December 31, 1916. The amount of the Bank's invested funds on December 31, 1917, was Rs. 4,320,737, which includes the reserve fund Rs. 680,884. Interest was allowed on deposits at the rate of 4 per cent. all round for the year 1917.

## III.—AGRICULTURE AND INDUSTRIES.

## TEA.

The area planted with tea approximates to 400,000 acres, mainly planted during the past thirty years, and ranges from sea level to elevations of nearly 7,000 feet. The estates vary in size from 100 acres to about 2,500 acres, and are mainly under European supervision, and worked with Tamil labour from Southern India. There are small areas in various localities which are cultivated by the permanent population, leaf being sold to estate factories in their vicinity.

The average outturn for Ceylon tea ranges between 400 to 500 lb. of made tea per acre, but well-cultivated estates yield more heavily. The quality of the trees varies according to the situation of the estates and to the methods of cultivation and manufacture. The year 1917 was a favourable one for tea, but some restriction of output took place, owing to exchange and freight difficulties consequent upon the war.

Many estates had to modify their manuring programmes owing to exchange difficulties and the high cost of many artificial fertilizers, but cultivation has, as a whole, been maintained at a high level. Some new clearings were planted up in favourable localities, while the removal of tea from under rubber in the low-country continues.

Freight space was controlled during the year owing to shortage of shipping, and the necessity for giving preference to freight for those imports into the United Kingdom which were considered to be essential. This affected tea exports to some extent, particularly those from estates which usually effected local sales in Colombo.

In the last month of the year the export of Ceylon teas to the United Kingdom was taken under the control of the Food Controller, and a Tea Commissioner was appointed locally to deal with controlled tea and to provide for local purchases.

The average prices for local sales of tea have been :—

1915	..	..	..	56·79 cents per lb.
1916	..	..	..	51·79 cents per lb.
1917	..	..	..	49 cents per lb. approximately

#### RUBBER.

The rubber industry continues to thrive and the exports to increase. The area under Hevea rubber is now approximately 251,500 acres, and planting still continues to take place. There is a growing tendency amongst small owners to plant rubber on lands which were formerly used for growing food products, especially in districts well suited by soil and climate for rubber cultivation.

Rubber is gradually displacing cinnamon in parts of the Western Province. In the Kalutara District even paddy lands are gradually being converted into rubber estates—a tendency which is, on the whole, to be deprecated. It results in a diminished production of food stuffs; the rubber is often badly planted and easily becomes diseased, causing these small blocks to be a danger to their neighbours, and the planting of rubber in this way is usually found to be followed by increased idleness and crime on the part of the cultivators. In the Matara District large areas formerly under citronella are now being planted with rubber.

Extension of estate plantings has taken place during the year. Rubber is being interplanted in tea in the low-country with a view to replacing tea by rubber, while on some estates up-country inferior rubber is being cut out.

Thinning operations have been continued throughout the Island, and care is being devoted by estate authorities to the treatment of diseases. The necessity for inspecting officers to deal with plant diseases and pests has been discussed during the year, and provision will shortly be made for the training of such officers.

The average price for all grades of Ceylon rubber sold at the local auctions during 1917 was Re. 1·49 per lb.

#### CACAO.

Little or no extension of this cultivation is taking place, and the average of 22,000 acres is stationary. Some small areas have been planted up during the year, but other areas which had been interplanted with rubber have been cut out.

The cacao crop has during the year been a satisfactory one, the autumn crop in practically all districts being above the average.

There has been some difficulty in obtaining freight for cacao, and therefore the market has been low and irregular. When freight offered fair prices were realizable, and some satisfactory sales were made in America. At other times prices were low.

There has been an extension of the local manufacture of chocolate during the year, owing to a local demand for prepared chocolate and a ready sale for cocoa butter. The extension of this industry would have been greater had it been possible to procure additional machinery.

The average price for cacao during the year has been Rs. 24·84 per cwt.

## COCONUTS.

Coconuts and coconut products have suffered severely during the year. Very little freight has offered, and coconut owners have seen prices fall, in spite of high value in European and American markets, until at the end of the year they were barely above the cost of production. The price of coconuts fell in Colombo to as low as Rs. 20 per thousand. Copra fell from Rs. 56·50 at the beginning of the year to Rs. 28 at the end, and coconut oil dropped from Rs. 18 to Rs. 14 per cwt. Continuous efforts were made to relieve the situation. The export taxes on copra and coconut oil were removed with the object of affording some relief. An arrangement which had been come to for the purchase of considerable quantities of coconut oil on behalf of His Majesty's Government materially assisted towards this end. The shortage of tonnage, however, made it impossible to find any really satisfactory solution of the difficulties.

Coconut crops were satisfactory, some districts recording increases over 1916. Some outbreaks of disease, particularly in the Kurunegala District, received careful attention.

Owing to the difficulties regarding the sale of coconut products, estates have had to reduce their expenses to a minimum. Many of the smaller owners have had to stop all cultivation and manuring, but it is satisfactory to note that larger estates are endeavouring to continue their cultivation as usual, and are making use of coconut poonac, owing to its low price, as manure. Careful attention is also being given generally to young plantations, but little or no additional clearings have been planted.

The prices for copra during 1916 and 1917 have been as follows :—

			1916.		1917.
			Rs. c.		Rs. c.
First Quarter ..	..	..	89 75	..	50 0
Second Quarter ..	..	..	65 75	..	37 50
Third Quarter ..	..	..	57 0	..	34 0
Fourth Quarter ..	..	..	55 0	..	30 0

## CINNAMON.

Prices ruled low, except during the last two months of the year, when profitable prices again obtained. The uprooting of cinnamon for coconuts was not considerable during the year, owing to the low prices for coconut products.

## MISCELLANEOUS.

Areas under citronella continue to be reduced, and there is some reduction in cardamoms. Interest is being taken in the cultivation of the Robusta types of coffee and in vanilla, while some experiments have been carried out on a small scale with growing Natal-Java indigo for seed.

Paddy crops were, on the whole, satisfactory, although damage was done during the second quarter of the year by caterpillars in several localities, particularly in the Galle District and in parts of the North-Central Province.

Tobacco crops were good. This product is now being widely grown, and samples of leaf sent to England from the Government experimental station in Jaffna show a great improvement in quality, and seem to indicate that it may be possible to grow tobacco in Ceylon for the European market.

## THE CEYLON AGRICULTURAL SOCIETY.

The Society, started in 1904, has 829 local members and 696 foreign members. The subscription payable by local members is Rs. 10, and by foreign subscribers Rs. 15 (£1) per annum.

The "Tropical Agriculturist," the Society's journal, is published monthly and issued free to members and subscribers, in addition to an Agricultural Year Book published every other year.

The vernacular magazines, also issued monthly, are available free to members. They are the Sinhalese "Govikam Sangarawa," to which, as supplement, is issued free a Sinhalese edition of the Year Book, and the Tamil "Kamat Tholil Velakkam." Leaflets are published from time to time on special subjects.

Seeds and plants are procured for members at cost price, while vegetable seeds are imported for each planting season. Grafted fruit plants from Australia and India required by members are also procured at cost price.

The Society employs eleven Agricultural Instructors, who itinerate in the various Provinces and afford advice and instruction to cultivators, who have every facility for securing information regarding control of plant diseases, crops, tillage, manuring, &c. Some Instructors have charge of experimental demonstration gardens established in village centres.

The Scientific Staff of the Department of Agriculture is freely available to members of the Society.

#### CO-OPERATIVE CREDIT SOCIETIES.

Progress is being made with Co-operative Credit Societies, and during the year 26 new societies have been registered and 4 other applications for registration were under consideration. The registration of 6 societies that were not doing satisfactory work was cancelled during the year and the societies wound up. The total number of societies working at the end of December, 1917, was 88.

The total number of members is now 8,183, an increase of 1,695 on the year 1916, and the paid-up capital has been increased by Rs. 12,297 to a total of Rs. 41,337.

Working societies have issued loans amounting to Rs. 43,368·14 within the year. Government loans to the extent of Rs. 1,500 were issued to two societies, and instalments of previous loans recovered from four. The total amount outstanding under the head "Government Loans" at the end of the year was Rs. 3,213.

The business of the societies is gradually increasing, and greater interest in the Co-operative Credit Society movement is being evinced by the chief headmen and by the village cultivators. Satisfactory progress is being made in the co-operative purchase of paddy manures for distribution amongst members of societies, as is shown by the following figures:—

				Quantity. Tons.		Value. Rs.    c.
1915	..	..	..	46	..	4,624    7
1916	..	..	..	79	..	8,380    60
1917	..	..	..	138½	..	11,633    75

The societies are the medium through which distribution of seeds is made, and encouragement has been given to them to organize village agricultural shows and prize competitions, with a view to encouraging an interest in the greater production of food stuffs.

#### DISEASES OF ANIMALS.

*Rinderpest.*—Outbreaks occurred in six Provinces, and three remained free. The total number of cases for the year was 2,076, against 856 last year. The increase is chiefly due to a somewhat extensive outbreak in the town of Colombo—806 cases.

*Foot-and-Mouth Disease.*—There was a great increase in the number of cases of this disease during the year, and all Provinces were infected. The total number of cases was 7,132, against 284 last year. As usual in this country, the disease was of a very mild type, and little loss was caused, only 94 deaths being reported.

*Anthrax.*—The number of cases outside Colombo was 62. In the town 6 cases occurred, and in the Quarantine Station 472 cases amongst the goats and sheep imported from South India, the disease being very prevalent amongst these animals during shipment.

*Rabies.*—The disease was more prevalent than usual during the year, especially in Colombo town. 42 cases were examined at the Bacteriological Institute, of which 25 were positive and 17 gave negative results. 189 persons went from Ceylon to the Pasteur Institute at Coonoor for treatment. In all 55 cases were reported, of which 51 were from Colombo town. It has been

decided to establish a Pasteur Institute for Ceylon: the necessary buildings are in course of erection, and the Institute will be opened early in 1918.

*Piroplasmosis*.—Odd cases due to infection by *Piroplasma bigeminum* were reported from time to time, especially amongst imported European cattle.

*Surra*.—Nil.

*Swine Septicæmia*.—Nil.

*Horses*.—No outbreak of infectious disease occurred during the year. The disease that caused most loss was osteoporosis.

#### SALT.

The manufacture and collection of salt is a Government monopoly. The amount realized by its sale in 1917 was Rs. 1,235,409·13, against Rs. 1,716,792·58 in 1916 and Rs. 1,800,856·22 in 1915.

Owing to the short collection of salt in 1916, which was due to bad weather, it was found necessary to import salt during 1917. A quantity of 339,824 cwt. in all was imported, and is being sold on Government account through local firms.

A Government store was also opened in Colombo, and a portion of the imported salt is held there to supply outstation stores where necessary.

The local production of salt during the year 1917 was again interfered with by wet weather, though not to the same extent as in 1916.

The total local production was 429,893 cwt., distributed as follows:—

	Cwt.
Puttalam District .. .. .	198,090
Hambantota District .. .. .	102,067
Trincomalee District .. .. .	49,754
Northern Province .. .. .	79,982
Total ..	429,893

The usual selling price at the Government Stores is Rs. 3 per cwt., but owing to short stocks it was found necessary during the year to raise the price temporarily to Rs. 3·75 per cwt. at Puttalam, Trincomalee, and Tondaimannar.

Though no restrictions were placed on the output of salt at any centre during the year, the total collections, exclusive of the salt imported, were only about two-thirds of the annual consumption, and it is possible that further importation may be necessary during 1918.

#### SALE OF CROWN LAND.

The total extent of Crown land sold and settled (exclusive of settlements under the Waste Lands Ordinance) was 6,158 acres, as compared with 11,373 acres in 1916, 14,773 acres in 1915, and 27,471 acres in 1914.

It has been decided to discontinue, except in special cases, the practice of selling Crown land outright, and to introduce in its place a system of leasing. Owing to this, transactions with regard to Crown land have been restricted during the year. Land is still in demand, particularly in districts suitable for the planting of rubber.

The Land Settlement Department has continued during the year its work of settling title to land as between the Crown and the subject, though its operations have been curtailed to some extent by a reduction of staff. During 1917 an area of some 143,991 acres was settled without recourse to litigation.

#### FORESTS.

*Re-afforestation*.—During the year the area of plantations was increased from 3,396 acres to 4,216 acres.

*Exploitation*.—Public Departments were supplied during 1917 with 37,140 broad gauge and 25,356 narrow gauge sleepers, 259,551·7·0½ cubic feet of timber, 156,463 cubic yards of firewood, 141 tons 18 cwt. of fuel, and 155,455 pieces of small round timber, &c. The value of these supplies was Rs. 1,030,257·42.

Since 1906 the Forest Department has supplied the Railway Department with 759,019 broad gauge and 281,016 narrow gauge sleepers, at an average cost of Rs. 3·63 and Re. 1·61 per sleeper, respectively. A very large saving over the cost of imported sleepers has been effected by obtaining these supplies from the local forests, while it is admitted that the local sleepers are far more durable than the imported ones.

The revenue received from the public on account of timber, fuel, and minor forest produce during the year was Rs. 259,379·76, against Rs. 273,120·31 during the year 1916. The miscellaneous revenue provided an additional sum of Rs. 11,477·90.

#### MINES.

In the latter half of the year 1915 the plumbago-mining industry became very active after a period of stagnation lasting for about a year, owing to restrictions in export. This activity continued throughout 1916, which proved to be a record year, both for the value and for the quantity of plumbago obtained, the total quantity exported being 33,410 tons valued at Rs. 22,494,999, which works out at Rs. 673 a ton.

The year 1917 started in the same way, and there was every promise of another good year, as the demand was great, and the Imperial Government had asked that efforts be made to increase the output of 1916 by 9,000 tons.

To meet this demand the local Government, acting on a suggestion of the Industries Commission, offered to give permits to mine on Crown lands, with a view to the discovery of new deposits of plumbago. Advantage was taken of this opportunity to some extent, but, owing to a difficulty in working the system as it was first devised, the scheme was not carried very far. It is, however, expected to have better results in future.

At the beginning of the year there was a great demand for plumbago, and high prices were realized, but the export was somewhat hampered by difficulties of freight. Some best quality plumbago was sold at over Rs. 1,600 a ton, and during the first six months 13,000 tons, to the value of over Rs. 12,000,000, were exported, but during the second half-year the value fell considerably, to Rs. 8,000,000 for 13,164 tons. In comparing these values with normal years, it must be remembered that the very high freight charges practically excluded the inferior grades, and sales were limited to good quality plumbago.

Towards the end of the year the demand for plumbago practically ceased, and there were no sales at all. As a consequence, a great number of the smaller mines ceased to work. The majority of such mines being owned by men of small means, with a labour force of 8 to 20 men, the owners rely entirely on an immediate sale of their plumbago, and any rise or fall in the demand quickly affects them, and the closing down or opening up of these mines does not involve any great expense. Most of the larger mines are continuing work in the hope of an early revival, and fairly good stocks are accumulating.

At the end of the first half of the year there were 1,288 mines at work, employing 19,912 men at the mines, and giving an approximate output of 2,367 tons a month. At the end of the year 764 mines were at work, employing 15,379 men, and yielding approximately 2,161 tons a month. These output returns are extracted from the half-yearly reports, and, though not altogether to be depended on, are found to correspond fairly well with the export returns for the year. From them it is shown that the monthly output of the Southern Province fell from 953 tons a month during the first half of the year to 421 tons a month for the second half. Most of the mines in this Province are small ones. There was a rise in the North-Western Province of 58 tons a month, in the Western Province of 92 tons, in the Province of Sabaragamuwa of 155 tons; whilst the Central Province shows a drop of 28 tons a month.

3,264 new mines were registered during the year. Several large mines were given up as being worked out; but, on the other hand, several mines that were abandoned years ago were re-started, and yielded a considerable quantity of plumbago. Though a good many mines were opened in new villages, no



valuable new deposits have yet been found; but the exploitation of Crown lands may give good results.

The output of plumbago is entirely dependent upon the demand for it and the prices ruling. With an improvement in these respects there is every possibility of Ceylon being able to supply 30,000 tons a year for some years. The quantity of machinery used in mines is steadily increasing, and this enables work to be done to a greater depth, and also allows mines that were formerly abandoned to be re-opened.

The industry at present is in a bad way, and nothing can be done for it until the market for plumbago improves, when opportunities should be given for exploiting new lands, with a view to finding new deposits to take the place of the present ones that are becoming exhausted.

During the year there was the usual mining for gems, and some attempt was made to revive the moribund mica-mining industry. Success in this direction depends principally on the possibility of procuring freight space for the export of the product and of assuring a good market for it.

#### MINERAL SURVEY.

The Assistant Mineral Surveyor having relinquished his appointment on January 26, work was carried on during 1917 by one officer only. The greater part of the year was devoted to the search for the parent rock of the gem stones found in the alluvial gravels. Both corundum (sapphire) and beryl (aquamarine) were traced to pegmatite veins, but no vein of commercial importance has yet been discovered.

The possibility of manufacturing Portland cement in the Island was investigated from June onwards, samples of apparently suitable materials being collected for analysis. This work is still in progress; it seems probable that suitable materials can be procured for the purpose in easily accessible localities.

Samples of sands apparently suitable for glass manufacture were also collected and sent to England for examination, but duplicate sets of these having been lost in transit, no further progress can be reported at present.

#### FACTORIES.

The following is a statement of the factories in Ceylon in 1917:—

	Province.							Total.
	Central.	Uva.	Southern.	Western.	Sabara-gamuwa.	North-Western.	Northern.	
Tea, rubber, and cacao	592	121	31	96	167	21	—	1,028
Coconut fibre, oil, &c.	—	—	3	82	—	34	—	119
Engineering and saw mills	7	2	3	34	—	—	—	46
Aerated water, ice, &c.	4	1	2	16	—	—	—	23
Printing	—	—	—	11	—	—	—	11
Sundries, manure, spinning, &c.	3	—	1	24	—	—	1	29
	606	124	40	263	167	55	1	1,256
Steam power	119	32	17	117	46	23	1	355
Electric installation	42	5	3	32	6	2	1	91

A further classification of the 29 factories shown under column "Sundries" gives 14 grain-crushing and produce, i.e., sorting, packing, &c., 1 bulk petroleum, 5 hotels, 2 breweries and refineries, 7 brick-making, lead mills, spinning and weaving, and cold storage.

The number of instances in which steam power was in use have diminished by 3½ per cent. Electric lighting installations, on the other hand, have increased by 7 per cent. since last year.

The total number of factories registered by the end of 1916 was 1,251, showing an increase of 5 for 1917, or under one-half per cent.

## MANUFACTURES.

Ceylon is essentially an agricultural country, and its manufactures are mostly connected with the products of agriculture, such as the making of tea, coconut oil, &c.

Minor industries, such as silver and brass work, ivory carving, lace-making, furniture-making, &c., have continued during the year, but the lack of demand and the rise in the cost of a great many of the materials used have caused them to suffer considerably. Manufacture of tobacco in Jaffna for sale in various parts of the Island and for export to South India was carried on as usual, and the Ceylon Sugar Refineries continued its manufacture of sugar and alcohol from palmyra jaggery. In the Kalutara District an association has been formed to promote the Kalutara basket-weaving industry, which should be of considerable interest and benefit to the village population of that district.

## IV.—TRADE.

The total value of Ceylon trade in 1917, excluding specie, but including the value of coal supplied to steamers, amounted to Rs. 498,319,941, as compared with Rs. 521,280,838 in 1916. The figure for 1917 is the highest on record, with the exception of that for 1916. The following table shows the value of the trade in lakhs of rupees for the past ten years :—

Year.	Lakhs of Rupees.	Year.	Lakhs of Rupees.
1908 ..	2,647½	1913 ..	4,329½
1909 ..	2,853½	1914 ..	4,022½
1910 ..	3,321½	1915 ..	4,495½
1911 ..	3,523½	1916 ..	5,212½
1912 ..	3,886½	1917 ..	4,983½

The Customs revenue collected in 1917 totalled Rs. 24,891,362, as against Rs. 25,488,407 in 1916. The decrease was mostly under imports. The import duty collected under the main heads for 1916 and 1917 is as follows :—

	1916. Rs.	1917. Rs.
Grain ..	4,493,038	4,298,249
Cotton Goods ..	547,844	735,523
Spirits and Cordials ..	1,859,945	1,175,645
Sugar ..	1,240,842	1,127,659
Kerosine Oil ..	1,756,296	1,526,438
Other Goods ..	4,377,842	4,154,801

Of the total duty collected in 1917, Rs. 13,018,315 was on imports and Rs. 9,160,776 on exports, exclusive of a sum of Rs. 834,857 recovered on exports of tea, cacao, and rubber under the Medical Wants Ordinance. The refunds of duty recovered on imports in 1917 amounted to Rs. 146,901·17, and on exports to Rs. 268,019·14, the latter being mostly drawbacks on shut-out cargo or refund of duty on tea supplied to the War Office.

The following table shows the total value of the imports and exports, excluding specie, and the value of coal supplied to steamers for the past ten years :—

Year.	Imports. Rs.	Exports. Rs.	Total. Rs.
1908 ..	122,420,393	128,962,156	251,382,549
1909 ..	125,441,597	146,899,631	272,341,228
1910 ..	150,195,648	166,471,607	316,667,255
1911 ..	156,986,106	180,526,959	337,513,065
1912 ..	175,322,979	198,954,902	374,277,881
1913 ..	186,073,086	232,986,954	419,060,040
1914 ..	172,317,549	218,363,846	390,681,395
1915 ..	163,637,758	273,375,987	437,013,745
1916 ..	211,500,753	297,505,905	509,006,658
1917 ..	184,123,986	304,160,457	488,284,443

Of the total exports in 1917, Rs. 292,625,008 represents the value of Ceylon produce and manufactures, showing an increase of Rs. 7,787,032 over 1916, and Rs. 11,535,449 the value of imported goods re-exported, showing a decrease of Rs. 1,132,480 below 1916. Omitting the value of rubber imports, an article which is imported merely for purposes of export, the percentages of imports, exports, and of the total trade from the United Kingdom, British Possessions, and foreign countries for the three recent years are as follows :—

<i>Imports.</i>					
	1915.		1916.		1917.
	Per Cent.		Per Cent.		Per Cent.
From United Kingdom	22·33	..	23·01	..	18·32
From British Possessions	62·54	..	59·97	..	66·01
From Foreign Countries	15·13	..	17·02	..	15·67
<i>Exports.</i>					
To United Kingdom	53·79	..	44·28	..	39·94
To British Possessions	14·06	..	12·6	..	18·09
To Foreign Countries	32·15	..	43·12	..	41·97
<i>Total Trade.</i>					
With United Kingdom	42·24	..	35·64	..	31·96
With British Possessions	31·86	..	31·83	..	35·78
With Foreign Countries	25·9	..	32·53	..	32·26

Hitherto the United Kingdom had the largest share of the total trade, but this has now gone to her possessions. The shares of imports from the United Kingdom and foreign countries show a decline, while that from British Possessions shows a rise. For the first time the foreign countries together have taken more exports than the United Kingdom, owing to the large quantity of rubber purchased by the United States of America. The principal country among British Possessions buying Ceylon produce was British India. The value of exports of Ceylon produce to that country rose from Rs. 7,208,018 in 1916 to Rs. 13,624,593 in 1917, due largely to increased shipments of copra.

#### IMPORTS.

A comparison of the value of imports in 1916 and 1917 shows decreases under nearly all the important heads.

*Confectionery.*—The imports of this article were equal, roughly, to only one-third the imports of 1916, the quantity being 1,017,441 lb. and 353,001 lb. for 1916 and 1917, respectively. Indian confectionery showed an increase, and formed more than half the total for 1917; while of supplies from foreign countries, Japanese confectionery showed a fall from 62,793 lb. in 1916 to 49,427 lb. in 1917 and Swiss from 24,805 lb. to 9,559 lb. in the same period.

*Cement.*—The imports amounted to 244,336 cwt., as compared with 315,598 cwt. in 1916, the decrease being due to a fall in imports from Japan from 136,623 cwt. to 67,281 cwt. The United Kingdom has supplied a little more than in 1916. The imports of cement have been sufficient to meet the demands of 1917.

*Cotton, Manufactured and Raw.*—The value of imports rose from Rs. 12,958,380 in 1916 to Rs. 15,062,024 in the year under review. The share of the United Kingdom for 1917 was 62 per cent. of the value, of British Possessions 29 per cent., and of foreign countries 9 per cent. There was a good demand for bleached piece goods during the year, while imports of lace and net were reduced to about one-half the imports of the previous year. Sewing thread imports are the smallest for the last five years. The prices of cotton goods generally are still on the increase. More dyed yarn was imported from India for use in the local industry, the quantity of the other kinds of yarn imported being about the same as last year.

**Grain.**—The imports of rice showed a decrease from 8,073,964 cwt. in 1916 to 7,754,121 cwt. in 1917. The Straits Settlements supplied 486,754 cwt., or less than one-half the previous year's amount. The rest of the imports in 1917 was about equally divided between British India and Burma.

**Horses and Motor Cars.**—The imports of cars, including commercial cars, during the past seven years have been :—

1911 ..	213	1915 ..	296
1912 ..	239	1916 ..	590
1913 ..	407	1917 ..	126
1914 ..	459		

Of the number imported in 1917, 77 were complete cars, 17 were chassis, and 32 were lorries. The duty on all motor vehicles, except lorries, was raised on February 2, 1917, from 33½ per cent. to 100 per cent. The imports of petrol (used mainly for cars) for a period of seven years were :—

Year.	Gallons.	Year.	Gallons.
1911 ..	206,208	1915 ..	607,774
1912 ..	216,714	1916 ..	776,092
1913 ..	383,442	1917 ..	884,093
1914 ..	701,082		

**Horses.**—The number of horses imported fell from 261 in 1916 to 58 in 1917. These came from the United Kingdom and British India. Horses of a value of Rs. 1,000 and over imported into Ceylon are now liable to an *ad valorem* duty of 7½ per cent. Of the number imported, 8 horses have been subject to this duty.

**Lamps.**—77,375 lamps were imported, valued at Rs. 117,403, or, roughly, one-half of the previous year's imports. Most of the trade was with the United Kingdom. Foreign competitors have not improved their position in this trade.

**Metals and Metalware.**—The value of imports of metals and metalware was Rs. 8,260,070, a decrease of Rs. 2,426,621 as compared with last year. The largest decrease was in hardware. Galvanized goods decreased by one-half, while imports of galvanized barbed wire amounted to only 1,638 cwt., as against 10,873 cwt. in 1916. Of the various metals, pig lead, which has the largest value, showed an increase of Rs. 476,171 over 1916. Bar, flat, and rod iron and tin slabs also showed large increases, the imports of the latter being equal to double the imports in 1916. The proportion of the value of metals and metalware contributed by the principal countries in 1917 were :—United Kingdom 39½ per cent., Burma 33½ per cent., United States of America 13½ per cent., Japan 4½ per cent., and the Straits Settlements 3½ per cent.

**Manure.**—Imports of all kinds of manures amounted to about 47,000 tons valued at five million rupees, being less than half of the 1916 imports. All sulphate of ammonia imported in 1917 came from the United Kingdom, and superphosphate from Japan, while basic slag and nitrate of soda came principally from the United Kingdom and Japan, respectively. For the rest of the imports British India was the principal or only supplier. There were no imports of two of the specified manures, viz., of kainit and muriate of potash, during the year 1917.

**Spirits.**—Here, again, the imports were only one-half of those for 1916. All kinds of spirits have shared in the decrease. In 1917 the imports of the three principal spirits in proof gallons have been :—

	Proof Gallons.
Whisky ..	54,679
Gin ..	22,051
Brandy ..	14,894

The duty on these liquors is Rs. 11·25 per proof gallon, with a minimum rate of Rs. 9·60 per gallon.

*Sugar.*—The imports of sugar have been as follows :—

	1916. Cwt.	1917. Cwt.
Refined or candied sugar ..	359,463	362,574
Unrefined and jaggery ..	189,461	43,764

The Straits Settlements, Java, Hong Kong, and Japan, in the order given, are the principal countries supplying Ceylon with refined sugar. The large imports of jaggery in 1916 were due to the establishment of a sugar-refining factory in the Island. This supply was in excess of the requirements for the year, and consequently the imports in 1917 have been reduced to a figure which is still about one and a half times the average annual import of the three years 1913 to 1915. The local factory has manufactured sugar for home consumption, and has also exported 2,394 cwt. to British India in 1917.

*Tobacco, Cigars, and Cigarettes.*—More cigars and cigarettes were cleared for home consumption and less manufactured tobacco, as the following figures show :—

Year.	Quantities Cleared.			Total.
	Cigars.	Cigarettes.	Manufactured Tobacco.	
	lb.	lb.	lb.	lb.
1915 ..	22,745	231,500	20,432	274,677
1916 ..	31,226	256,779	23,423	311,428
1917 ..	32,676	288,812	15,069	336,557

Cigars were supplied principally by British India, and cigarettes and manufactured tobacco by the United Kingdom.

#### *Ceylon's Chief Sources of Supply.*

The following table shows the proportion of values for the principal countries exporting goods to Ceylon. Countries which supplied goods of less than  $\frac{1}{4}$  per cent. of the total value in 1917 (or, roughly, less than Rs. 500,000) are not included in the table :—

	1915.	1916.	1917.
1. British India ..	41·19	35·05	35·89
2. Burma ..	6·88	14·67	20·35
3. United Kingdom ..	21·66	22·11	17·7
4. Straits Settlements ..	10·41	8·03	7·02
5. Japan ..	3·22	4·32	5·45
6. United States of America	2·95	3·65	2·99
7. Borneo (excluding British)	·57	1·28	1·68
8. Java ..	2·21	1·54	1·3
9. Maldivé Islands ..	1·39	1·12	1·22
10. Sumatra ..	·37	·14	·71
11. Holland ..	·62	·78	·61
12. Egypt ..	·16	·03	·56
13. Hong Kong ..	·98	·86	·47
14. France ..	·64	·52	·36
15. Siam ..	·78	·48	·35
16. Sweden ..	·29	·29	·33
17. India (excluding British)	·41	·37	·28

Of the seventeen countries mentioned above, ten are foreign countries, of which Japan and the United States of America and France are the only countries which compete with British countries in imports generally, while the other seven countries supply only a few articles which are more or less the special produce of those countries. These latter are Borneo (excluding British) and Sumatra competing mostly in oils (kerosine oil, petrol, and liquid fuel), Java in refined sugar, Holland in gin and dyed camboys and sarongs, Siam in timber, particularly teak, Sweden in matches and printing paper, and India (excluding British) in rice. Japan and the United States of America maintain the fifth and sixth positions they occupied in 1916, while France has lost a place. There was a notable advance in Burma, due to larger imports of rice than in 1916.

EXPORTS.

Ceylon's staple exports in order of value are as follows :—

Lakhs of Rupees.			Lakhs of Rupees.		
1916.			1916, 1917.		
1. Rubber	..	1,035 .. 1,310	9. Citronella oil	..	13 .. 12
2. Tea ..	..	1,053 .. 957	10. Cinnamon	..	13 .. 10
3. Plumbago	..	225 .. 218	11. Tobacco, unmanufactured	..	5 .. 7
4. Copra ..	..	219 .. 132	12. Coir fibre ..	..	9 .. 4
5. Coconut oil	..	89 .. 101	13. Cardamoms	..	5 .. 4
6. Coconut, desiccated	..	87 .. 94	14. Coconuts ..	..	4 .. 3
7. Arecanuts	..	28 .. 30	15. Coir yarn ..	..	8 .. 2
8. Cacao ..	..	28 .. 18	16. Poonac ..	..	4 .. 2

For the first time rubber takes its place at the head of the table, while tea, which was the principal article of export previously, has the second place. There was a strong demand for coconut oil, but the average price of this article was lower than in the previous year. The quantity of cacao exported was practically the same as in 1916, but here, again, the article showed a considerable drop in value. Arecanuts and unmanufactured tobacco, for which India is our chief customer, improved their positions. Exports of coir fibre and yarn and poonac have suffered considerably, owing to shortage of freight.

The principal countries buying Ceylon produce and manufactures are given in the following table, with the percentages of values taken by each :—

1915.			1916.			1917.		
Per			Per			Per		
Cent.			Cent.			Cent.		
1. United Kingdom	55·05	.. 45·89	.. 41·07	15. Italy	..	05	.. 17	.. 39
2. United States of America	18·39	.. 26·87	.. 33·32	16. Denmark	..	2·14	.. 1·42	.. 38
3. British India	2·39	.. 2·53	.. 4·66	17. South Australia	..	42	.. 25	.. 34
4. Canada	1·68	.. 09	.. 3·17	18. Japan	..	2	.. 31	.. 33
5. France	09	.. 5	.. 2·57	19. Straits Settlements	..	27	.. 2	.. 3
6. Victoria	2·57	.. 2·01	.. 2·27	20. South America	..	03	.. 03	.. 3
7. New South Wales	2·26	.. 2·07	.. 2·08	21. Natal	..	36	.. 29	.. 26
8. Russia in Asia	2·06	.. 1·96	.. 1·38	22. Hong Kong	..	06	.. 34	.. 25
9. Russia in Europe	3·99	.. 4·17	.. 1·23	23. Philippine Islands	..	13	.. 21	.. 25
10. New Zealand	1·4	.. 1	.. 1·14	24. Mozambique	..	05	.. 08	.. 23
11. Egypt	09	.. 1·24	.. 8	25. Queensland	..	22	.. 14	.. 23
12. China (excluding Hong Kong)	1·44	.. 1·74	.. 75	26. Western Australia	..	17	.. 15	.. 2
13. Cape Colony	35	.. 31	.. 62	27. Newfoundland	..	08	.. 14	.. 12
14. Holland	94	.. —	.. 5	28. Norway	..	9	.. 19	.. 09
				29. Burma	..	01	.. 02	.. 06

The United States of America have made a notable advance, the value of goods taken being double that of 1915. The improved position of British India is due to its being the principal market for copra, unmanufactured tobacco, and arecanuts, in all of which there have been increases, as well as in the purchases of tea. Canada has also improved her percentage by purchasing more tea and rubber than in 1916.

Of the countries buying goods of not less than one per cent. in value in 1917, France, Russia in Europe, and New South Wales have dropped from the third, fourth, and sixth places to the fifth, ninth, and seventh places, respectively; while British India, Canada, Victoria, and New Zealand have risen from the fifth, thirteenth, seventh, and twelfth places to the third, fourth, sixth, and tenth places, respectively. Russia in Asia occupied the same position as in 1916.

*Tea.*

The exports of tea for the past seven years are given below, in millions of pounds :—

Million Pounds.			Million Pounds.		
1911	..	186	1915	..	215
1912	..	192	1916	..	203
1913	..	191	1917	..	195
1914	..	193			

It will be seen that the exports of tea were better than in any of the previous years, except 1915 and 1916. The average price for the year may be taken as 49 cents a pound as compared with 51·79 cents in 1916, but it is not easy to calculate an average price owing to the extraordinary fluctuations in price caused by the varying restrictions which have governed the export from time to time. The quality of the teas was better than in 1916. The distribution among the principal countries for 1916 and 1917, with the increases and decreases, is shown in the following table :—

Countries.	1916.	1917.	Increase over 1916.	Decrease below 1916.
	lb.	lb.	lb.	lb.
United Kingdom	.. 113,535,561	.. 85,885,445	.. —	.. 27,650,116
British Possessions :—				
British India	.. 2,393,152	.. 5,797,512	.. 3,404,360	.. —
Canada	.. 4,341,831	.. 11,903,499	.. 7,561,668	.. —
Cape Colony	.. 1,413,972	.. 3,082,844	.. 1,668,872	.. —
Egypt	.. 6,406,167	.. 4,162,895	.. —	.. 2,242,272
Hong Kong	.. 177,690	.. 1,054,993	.. 877,303	.. —
Mauritius	.. 157,897	.. 153,965	.. —	.. 3,732
Natal	.. 1,452,952	.. 1,302,021	.. —	.. 150,931
Newfoundland	.. 779,341	.. 737,747	.. —	.. 41,594
New South Wales	.. 10,107,538	.. 11,317,440	.. 1,209,902	.. —
New Zealand	.. 5,039,998	.. 6,419,126	.. 1,379,128	.. —
Queensland	.. 694,956	.. 1,237,782	.. 542,826	.. —
South Australia	.. 1,268,700	.. 1,794,042	.. 525,342	.. —
Straits Settlements	.. 571,446	.. 1,190,479	.. 619,033	.. —
Victoria	.. 7,759,300	.. 8,194,640	.. 435,340	.. —
Western Australia	.. 761,506	.. 1,069,922	.. 308,416	.. —
Other British Possessions	.. 562,203	.. 2,098,500	.. 1,536,297	.. —
	<u>43,887,449</u>	<u>61,517,407</u>	<u>20,068,487</u>	<u>2,438,529</u>
		Deduct Decrease	.. 2,438,529	
		Nett Increase	.. 17,629,958	
Foreign Countries—				
China (excluding Hong Kong)	.. 9,346,605	.. 4,457,547	.. —	.. 4,889,058
France	.. 2,252,218	.. 2,581,537	.. 329,319	.. —
Japan	.. 94,495	.. 859,223	.. 764,728	.. —
Mozambique	.. 412,300	.. 1,296,750	.. 884,450	.. —
Philippine Islands	.. 85,746	.. 175,589	.. 89,843	.. —
Russia in Asia	.. 7,580,928	.. 7,032,502	.. —	.. 548,426
Russia in Europe	.. 18,499,784	.. 7,260,205	.. —	.. 11,239,579
South America	.. 99,299	.. 1,466,098	.. 1,366,799	.. —
United States of America	.. 7,225,813	.. 22,475,152	.. 15,249,339	.. —
Other Foreign Countries	.. 236,149	.. 224,137	.. —	.. 12,012
	<u>45,833,337</u>	<u>47,828,740</u>	<u>18,684,478</u>	<u>16,689,075</u>
		Deduct Decrease	.. 16,689,075	
		Nett Increase	.. 1,995,403	
Total for all countries	.. 203,256,347	.. 195,231,592	.. —	.. 8,024,755

Exports to the United Kingdom took place under certain restrictions, with the result that there was a drop of 27 million pounds in exports. The decrease to Russia was due to the unrest prevailing in that country. There was a decrease in the quantity of teas supplied to the troops in Egypt, and an increase in the supplies sent to Mesopotamia and Salonika. The decision of the Australian Commonwealth to purchase only teas grown in the British Possessions for the period of the war probably accounts for the increased quantities taken by the various Australian States in 1917. Most of the other British Possessions purchased more tea during the year, as well as the United States of America, Japan, and South America among foreign countries.

*Products of the Coconut Palm.*

339 lakhs of rupees worth of these products were exported in 1917, as against 422 lakhs worth in 1916. The exports of the three principal products for the last six years were as follows :—

			Desiccated Coconuts. Cwt.		Copra. Cwt.		Coconut Oil. Cwt.
1912	..	..	278,806	..	614,089	..	401,779
1913	..	..	303,808	..	1,117,292	..	546,984
1914	..	..	311,864	..	1,411,947	..	486,286
1915	..	..	349,009	..	1,208,529	..	501,510
1916	..	..	306,149	..	1,309,939	..	323,017
1917	..	..	272,059	..	1,078,704	..	434,699

The average value declared by the exporters for desiccated coconuts was better than in 1916. Copra decreased in value considerably, its price being seriously affected owing to the difficulty of obtaining freight. Export of coconut oil has increased owing to a demand from the United Kingdom. The average price of this article was Rs. 23·19 per cwt., as against Rs. 27·26 per cwt. in 1916.

*Rubber.*

There was a substantial increase in exports from 486,690 cwt. in 1916 to 645,797 cwt. in 1917. The exports of rubber since 1912 have been as follows :—

		Cwt.			Cwt.
1912	..	132,569	1915	..	435,748
1913	..	226,491	1916	..	486,690
1914	..	306,724	1917	..	645,797

In 1917 the United States of America have been supplied with as much rubber as the United Kingdom. Besides the United States, the other foreign countries to be supplied with rubber named in order of importance were France, Italy, Russia in Asia, Japan, South America, and China. Rubber exports to foreign countries are allowed only under license owing to the war.

*Plumbago.*

In spite of shortage of freight, the export of plumbago, though lower than in 1916, was better than in the two previous years. The exports for the past four years have been :—

		Cwt.			Cwt.
1914	..	284,562	1916	..	668,214
1915	..	436,351	1917	..	523,940

The price for the best qualities was not so high as in 1916, but it was nevertheless good. The average F. O. B. price for all grades was Rs. 832 per ton in 1917, as compared with Rs. 819 per ton for the period August to December, 1916, during which such F. O. B. prices were first accepted from the exporters.

*Customs Duties, Classification of Imports and Exports.*

A revised tariff for imports came into operation on June 9, 1917. The important changes are the increase of duty on general merchandise from 5½ per cent. to 7½ per cent. *ad valorem*, and on cotton goods from 4 per cent. to 5½ per cent. *ad valorem*, and the imposition of a new duty of 2½ per cent. *ad valorem* on metals, except sheet and pig lead and tin plates, which were previously included in the free list. From January 1, 1918, Chili will be shown as a separate country in the Customs returns. From the same date shot guns, now entered separately as single- and double-barrelled guns, will be further classified as muzzle-loading and breach-loading guns under each of these classes.



## V.—SHIPPING.

The total number of vessels which entered the ports of the Island of Ceylon in the year 1917 was 3,856 with a tonnage of 5,990,410. This shows a decrease of 724 vessels and 2,884,433 tons as compared with the preceding year 1916.

The following table gives the total number and nett tonnage of shipping which entered at all ports in Ceylon during the last three years :—

	1915.		1916.		1917.	
	Number.	Tons.	Number.	Tons.	Number.	Tons.
Merchant vessels (with cargo and in ballast) ..	1,560	4,984,122	2,035	4,480,703	1,686	2,980,358
Merchant vessels (called to coal) ..	655	1,937,572	737	2,008,057	350	877,732
Native sailing vessels ..	1,847	268,938	1,372	106,646	1,306	105,979
Warships* and Government chartered vessels	210	692,636	436	2,279,437	514	2,026,341
<b>Total</b> ..	<b>4,272</b>	<b>7,883,268</b>	<b>4,580</b>	<b>8,874,843</b>	<b>3,856</b>	<b>5,990,410</b>

\* Warships' displacement tonnage.

Omitting warships and vessels which called only to coal, the following table gives the comparative distribution according to nationality for 1916 and 1917 :—

	1916.		1917.	
	Number.	Tons.	Number.	Tons.
British ..	1,052	3,364,847	1,382	2,208,390
British Colonial ..	1,260	92,549	1,207	92,954
Maldivian ..	112	14,097	99	13,025
<b>Total British Ships</b> ..	<b>3,024</b>	<b>3,471,493</b>	<b>2,688</b>	<b>2,314,369</b>
American ..	4	14,062	4	8,859
Chinese ..	3	3,666	1	1,314
Danish ..	11	31,694	3	5,254
Dutch ..	47	122,691	25	48,480
French ..	80	349,804	55	220,763
Greek ..	1	1,939	4	8,389
Italian ..	15	44,166	16	45,181
Japanese ..	102	341,517	121	336,739
Norwegian ..	79	108,070	57	59,340
Roumanian ..	1	1,452	—	—
Russian ..	3	5,319	4	4,665
Spanish ..	23	58,628	5	11,239
Swedish ..	14	32,848	8	18,870
Portuguese ..	—	—	1	2,875
<b>Total Foreign Ships</b> ..	<b>383</b>	<b>1,115,856</b>	<b>304</b>	<b>771,968</b>

## COLOMBO PORT COMMISSION.

During the past year the work connected with the administration of the port of Colombo has very greatly increased as a result of the existing war conditions, and every branch of the Port Department has worked under considerable strain.

The policy of retrenchment, which was begun soon after the outbreak of war, has been continued, and for this reason, and owing to the difficulty in obtaining materials, works of improvement at the port have necessarily been curtailed. In July the second warehouse between the canal and the Patent Slip was completed. The total warehouse area of the port is now 559,106 square feet and the total quayage 5,828 lineal feet, an increase of 267,506 square feet and 1,183 lineal feet respectively since 1913. Further improvement in the sanitation of the port has been made by the construction of more latrines, and the water service to Port Commission premises is now complete. Quarters for the Master Attendant, near the Flagstaff, are being erected by the Public Works Department. It has, however, owing to the cost of materials, not been possible to

make progress with the building of bungalows for departmental officers at Mutwal, although a sum was voted in the Estimates of 1916-17 for this purpose. The Harbour Engineer's boat shed has been extended and improved, and various other works of minor improvement have been executed.

Three hopper barges have been constructed by the Factory Engineer for the harbour, and a certain amount of new machinery necessary for the upkeep of the numerous vessels now employed has been obtained for the Harbour Engineer's workshops.

Further progress has been made with the Lake-Harbour Canal Scheme, but this has necessarily been hampered by war conditions.

The work of deepening the harbour has been carried on throughout the year.

The Chalmers Granaries at the Racquet Court have now been completed; the blocks of buildings, ten in number, have been divided into 100 stores, giving accommodation for the storage of 600,000 bags of rice.

The site for the oil installations dépôt at Kolonnawa has been definitely decided on, and a sum of Rs. 850,000 for the acquisition of land, excavating and filling, and for providing railway connection has been voted by the Legislative Council. The land having been acquired, work was commenced at the site in December. A scheme for the berthing of oil steamers is now being prepared. The survey has been completed, and the detailed plans of all the bridges, &c., are nearly finished. Work is progressing on the harbour portion of the line.

Certain of the measures taken for the defence of the port during the last year have been carried out by means of the administrative machinery of the Port Commission, and have involved a large increase in the work of the several departments.

The nett tonnage of vessels (sailing and steam) visiting Colombo harbour in 1917 amounted to 3,646,256; in addition, 514 warships and transports with a gross tonnage of 2,026,341 and coasting vessels with a nett tonnage of 12,147 entered the port. The receipts from the Graving Dock were Rs. 78,130 and from the Patent Slip Rs. 10,156, against Rs. 50,987 and Rs. 8,075, respectively, in 1916.

There was no pearl fishery and no inspection of the pearl banks in 1917.

The expenditure by the Colombo Port Commission (apart from the work carried out by the Public Works Department) during the financial year 1916-17 (October 1, 1916, to September 30, 1917) amounted to Rs. 1,713,438·92; the expenditure on work carried out by the Public Works Department for the Port Commission was Rs. 18,828·62, a total of Rs. 1,732,267·54. The revenue during the same period amounted to Rs. 2,394,060. In addition to the above, a sum of Rs. 472,985 was spent during the financial year on work connected with war services.

## VI.—LEGISLATION.

Forty-five Ordinances were passed during the year 1917. Of these, the following were necessitated by the present war and the conditions arising therefrom:—

(a) The Ceylon Paper Currency (Amendment) Ordinance, No. 1 of 1917, enacted partly to empower the issue of 1-rupee and 2-rupee currency notes, partly to authorize as an emergency measure the issue of currency notes to the exchange banks against a credit in the Bank of England in lieu of a deposit in gold, and partly to suspend the proviso to section 17 so as to admit of the conversion of a part of the specie reserve into investments in England which had been found necessary.

(b) The Merchant Shipping (War Service) Ordinance, No. 3 of 1917, to provide for the discipline of seamen serving on ships chartered or requisitioned in the present war.

(c) The Enemy Firms Liquidation (Amendment) Ordinance, No. 4 of 1917, partly to make certain amendments of detail in the main Ordinance, and

partly to enact certain special provisions regulating the sale of immovable properties in the liquidation of enemy firms and in controlling the future devolution of such properties.

(d) The Enemy Property (Amendment) Ordinance, No. 5 of 1917, passed to empower the Governor to vest in the Custodian of Enemy Property any property belonging to enemy subjects, and to make certain minor amendments of the principal Ordinance.

(e) The Customs (Amendment) Ordinance, No. 10 of 1917, passed in order to increase certain Customs duties, primarily with a view to provide, together with the increase of certain duties under the Stamp Ordinance, the money requisite for the payment of an additional million pounds to His Majesty's Government as a war contribution.

(f) The War Loan Ordinance, No. 11 of 1917, passed with a view to raising a loan of Rs. 15,000,000 upon premium bonds or bonus bonds for a sum of Rs. 50 each secured as a charge upon the revenue and assets of the Colony, in order to offer to His Majesty's Government a contribution of one million pounds as an assistance from the Colony for the successful prosecution of the war, as recommended by the Committee appointed by the Governor for the purpose.

(g) The Merchant Shipping (War Service) Ordinance, No. 13 of 1917, introduced on the instructions of the Secretary of State to bring our law into line with section 39 A of the Defence of the Realm Regulations as amended by the Order in Council of November 29, 1916, providing for the discipline of persons serving on certain ships or vessels.

(h) The Supervision of Aliens Ordinance, No. 14 of 1917, passed at the request of the Secretary of State to provide safeguards to ensure that individuals desiring to work as missionaries, &c., are not in active sympathy with the enemies of His Majesty the King, or lacking in goodwill towards the Government of this country. Recent experience in India and in the Colonies has shown that such safeguards are expedient.

(i) The Stamps (Amendment) Ordinance, No. 16 of 1917, for objects and reasons of which see item (e) above.

(j) The Trading with the Enemy (Amendment) No. 3 Ordinance, No. 24 of 1917, for introducing into the Colony the provisions of sections 1 and 2 of the Trading with the Enemy and Export of Prohibited Goods Act, 1916.

(k) The Ceylon Coinage Ordinance, No. 33 of 1917, to prohibit during the present war the melting of specie, similar prohibitions being in force in the United Kingdom and in India.

(l) The Prices Regulation Ordinance, No. 36 of 1917, designed to prevent profiteering by traders.

(m) The Enemy Property (Amendment) Ordinance, No. 41 of 1917, to facilitate dealings in regard to shares and debentures of local companies held by or on behalf of enemies.

The following Ordinances are not connected with the war, but were passed pursuant to instructions received from the Home Government to give effect to provisions in certain Imperial Acts, or to bring the law of the Colony into line with the law prevailing in other British Possessions :—

(a) The Fugitive Criminals (Repeal) Ordinance, No. 12 of 1917, passed in order to repeal "The Federated Malay States (Fugitive Criminals) Ordinance, 1903," which was rendered unnecessary by His Majesty's Order in Council of 1916.

(b) The Anglo-Portuguese Commercial Treaty Ordinance, No. 15 of 1917, to obtain for the Colony the commercial and navigation advantages provided by the treaty.

(c) The Marriage Registration (Amendment) Ordinance, No. 27 of 1917, to afford, in Ceylon, facilities for the marriage of British subjects corresponding to those afforded in the United Kingdom by "The Marriage of British Subjects (Facilities) Act, 1915."

Besides the above, the following are of interest :—

(a) The Trusts Ordinance, No. 9 of 1917, passed in order to put the general law of trusts upon a definite basis, and to introduce a code of the law of trusts. It incidentally affords facilities for the reconstruction and regulation of the religious trusts of the Hindu, Muhammadan, and Parsee communities.

(b) The Irrigation Ordinance, No. 45 of 1917, passed with a view to consolidate and amend the law relating to irrigation.

## VII.—EDUCATION.

It is difficult to draw a clear line between elementary and secondary education in Ceylon. The English-speaking community forms scarcely 1 per cent. of the total population, so that most of the schools where English is taught are teaching a language which is foreign to the large majority of their pupils. The vernacular schools provide the real elementary education of the country, and in them 91 per cent. of the school-going children are educated.

### VERNAACULAR EDUCATION.

In 1917 there were 817 Government vernacular schools, with an attendance of 84,552 boys and 28,545 girls. There were also 1,835 aided schools, with an attendance of 131,892 boys and 78,434 girls.

The total sum expended by Government on vernacular education in 1917 was Rs. 1,241,435·15, of which approximately two-fifths were spent on Government schools and three-fifths on aided schools.

The Rural Schools Ordinance is now in force in all districts of the Island.

The Town Schools Ordinance was also introduced into the towns of Nuwara Eliya and Galle during the year, and its proclamation in Colombo is only deferred until there are sufficient schools in the wards for the school-going children. Two large new Government schools were commenced during the year in Colombo.

At the end of 1917 there were 235 aided estate schools, with an attendance of 8,794 boys and 1,017 girls.

A school for the deaf and blind, started in 1912, receives an annual grant from Government of Rs. 3,000.

### SCHOOLS TEACHING ENGLISH.

In 1917 there were 253 English and Anglo-vernacular schools attended by 43,611 pupils, of whom 34,066 were boys and 9,545 girls.

In many of the schools candidates are prepared for the Senior and Junior Cambridge School Certificate Examinations. In 1916 the number of candidates who presented themselves and the results obtained were :—

	Candidates.	Honours.	Passes.
Senior .. .. .	480 ..	20 ..	87
Junior .. .. .	624 ..	17 ..	157

There are special syllabuses for Ceylon students in English, Science, and Needlework, special stress being laid on the necessity for obtaining a high standard in English.

The results of the London University Examinations in 1917 showed that 237 candidates from Ceylon presented themselves for the Matriculation Examination, 61 of whom passed. In addition, 4 candidates passed the First Examination for Medical Degrees, 3 the Second Examination, Part I., and 1 the Intermediate Examination in Science (Economics).

The encouragement offered by Government takes the form of grants or scholarships. In the majority of the aided English schools grants are paid on the results of examinations in the schedules of the Code, but in some of the more advanced schools the greater part of the grant is paid on the average attendance. The grants paid to English schools in the financial year 1916-17 amounted to Rs. 332,702·62.

Two Government scholarships are offered annually: one on the results of the Intermediate Examination in Arts, and the other on the results of the Intermediate Examination in Science. These scholarships are tenable for three years, and are of the value of £200 each per annum, with free passage to and from England and £50 outfit allowance. The value of the scholarship has been increased to £250 during the period of the war. The holders may join any British University, or study at any recognized engineering institution in the United Kingdom.

#### TRAINING OF TEACHERS.

The Government Training College consists of three departments: English, Sinhalese men, and Sinhalese women. The object is to supply trained teachers for aided English schools and Government vernacular schools. At the beginning of 1917 the number of students in training was English 83, Sinhalese men 42, Sinhalese women 20. During the year a special class of 21 students was started, the fees for these students being paid by the managers of schools. An Anglo-vernacular class will be started from next year, and the number of Sinhalese women students will be doubled. Trained teachers at present command high salaries, and there is a great demand for their services.

#### INDUSTRIAL SCHOOLS.

There are no Government industrial schools, but carpentry schools are attached to 6 Government schools in the Kandyan Provinces. In 1917 the aided industrial schools, which are 39 in number, received grants amounting to Rs. 20,999·78. The trades taught were carpentry, dressmaking, printing, shoemaking, tailoring, lace-making, embroidery, gardening, and masonry. The most important of these schools is the Maggona Certified Industrial School, which is utilized by Government as a reformatory for youthful offenders; it is managed by the Roman Catholic Mission. This institution has an estate of some 300 acres and excellent buildings, towards the cost of which Government has contributed. 226 youthful offenders are at present receiving instruction in this school, and an allowance is paid by Government for the maintenance of each offender.

#### AGRICULTURAL INSTRUCTION.

An attempt has been made to supply elementary agricultural instruction by a scheme of school gardens conducted in connection with Government schools. The gardens are under the supervision of the Department of Agriculture; there is a Superintendent of School Gardens, who is assisted by three Inspectors. 335 school gardens attached to Government schools are worked under this scheme, and 68 grant-in-aid schools receive garden grants. Seeds and implements are supplied by the Department of Agriculture, and prizes are offered for competition. Fifteen teachers from Government and grant-in-aid schools will be admitted for a special course of training at the Agricultural College, Peradeniya, next year.

#### TECHNICAL.

During the year building construction and mechanical engineering night classes were started, and the plumbing and sanitary engineering classes revived. These classes secured large attendances.

#### UNIVERSITY COLLEGE.

The first steps were taken in connection with the establishment of a University College, and in 1918 a start will be made with the new laboratories for this institution and with the new Royal College. This will leave the present Royal College buildings available for the University College.

#### SCHOOLS AND THE WAR.

The war leaflet published in English, Sinhalese, and Tamil was continued until twelve issues had appeared, when its publication was temporarily suspended, as it was decided to issue only special numbers in future, the twelve

copies issued to be used as an alternative reader in the schools. Rs. 11,000 realized by sales have been remitted to the Red Cross Fund. War pictures are issued every month to 954 schools. 103 village school teachers took war bonds.

#### EDUCATIONAL CONFERENCES.

The first conference of school teachers in Ceylon was held at Jaffna in August, and was attended by over 300 teachers. The conference lasted for a week, and was very well attended throughout. The proceedings have been published in book form. A conference of managers and head teachers was held in Colombo on November 23 and 24.

#### VIII.—PUBLIC HEALTH, VITAL STATISTICS, &c.

The general health of the people during the year has been, on the whole, very satisfactory. There have been no serious epidemics of any kind.

#### HOSPITALS.

There are 84 Government hospitals, in addition to the Lunatic and the Leper Asylums, equipped with modern hospital furniture and surgical appliances; the number of beds in the institutions ranges from 12 to 497, while the number accommodated in the Lunatic Asylum varied between 951 and 1,047. In addition to the hospitals, there are 441 Government outdoor dispensaries. The owners of estates have provided 58 estate hospitals, which receive a rebate on export duty, and 401 dispensaries, which receive drugs free from Government to a value of 50 cents per labourer per annum.

The following new hospital buildings are under construction :—

- (1) Kandana sanatorium, in the Western Province.
- (2) Agrapatna hospital, in the Central Province.
- (3) New Leper Asylum, Batticaloa, in the Eastern Province.
- (4) Alutnuwara, in the Province of Uva.
- (5) Lunugala, in the Province of Uva.
- (6) Kahawatta, in the Province of Sabaragamuwa.
- (7) Aranayaka, in the Province of Sabaragamuwa.

New hospitals were opened during the year at Pimbura, Kahawatta, and Chilaw.

#### MEDICAL INSTITUTIONS.

The general rebuilding scheme in contemplation for the improvement of the Medical College was deferred owing to the war; the full course of training for medical students is five years; a diploma in medicine, surgery, and midwifery (which can be registered in the United Kingdom) is granted to successful medical students. A two years' course of training is provided for apothecaries, who on becoming qualified are employed by Government. The following were the attendances and passes during the past two years :—

Session.	Attendances.		Passes.	
	Medical.	Apothecary.	Medical.	Apothecary.
1916 May to July	164	81	6	10
1916 October to 1916 March	137	61	6	6
1917 May to July	153	47	9	5
1916 October to 1917 March	166	64	9	9

In Colombo there are a Bacteriological Institute, a General Hospital, Lunatic Asylum, an Ophthalmic Hospital, a Lying-in Home, a Hospital for Women and Children, and one for Infectious Diseases. There is an establishment for the manufacture of calf lymph; there are special dispensaries at Kandy and Galle for the treatment of eye diseases. An Anti-Tuberculosis Institute in Colombo was opened during the year, fitted with an up-to-date X-ray apparatus. A start was made during the year in connection with the opening of a Pasteur Institute in Colombo.

*Asylums.*

The Lunatic Asylum contained 1,030 inmates on December 31, 1917. As there is very considerable overcrowding in the present building, the Government is erecting a new institution a few miles out of Colombo, with accommodation for 1,000 patients and for the necessary staff officers and servants. The number of patients treated in the asylum during 1917 was 1,670 (1,142 males and 528 females). The number discharged was 516 (386 males and 130 females). These figures include those of the house of observation.

The Leper Asylum is situated 6 miles from Colombo; it contained 429 patients at the end of the year; the total treated during 1917 numbered 531. A small establishment for lepers exists at Kalmunai, in the Eastern Province, and has accommodation for 30; a leper colony at Mantivu, a small island on the lagoon in the neighbourhood of Batticaloa, is being erected.

A Home for Incurables (containing 80 beds) is administered by a Committee of Government officials and representatives of the public.

## ANCHYLOSTOMIASIS CAMPAIGN.

The campaign against the above disease, which is extremely prevalent in practically every part of the Island, was carried on throughout the year by officers of the International Health Commission, whose work is much appreciated, in conjunction with the Medical Department. Work which had previously been started in the Matale, Dikoya, and Bogawantalawa districts being practically over, three new areas were taken in hand, viz., Avissawella, Elpitiya, and Koslanda. In addition to remedial measures taken in these districts, a great deal has been done in many other Local Board, Sanitary Board, and rural areas by the erection of latrines, and by lectures and the distribution of literature, &c., to further the end in view.

## PLAGUE.

There was an improvement as regards the prevalence of this disease during the year, 207 cases being recorded, as against 291 during 1916, and an average of 281 during the three years 1914 to 1916.

The total for 1917 includes 10 cases which, although infected in Colombo, had escaped from the town and were detected elsewhere. That the reduction in the number of cases during 1917 was in no way due to the virulence of the infection having abated is indicated by the steady rise in the case mortality. Thus, the total case mortality, which was 92·2 per cent. in 1914, 92·8 in 1915, and 93·8 in 1916, rose to 94·7 in 1917.

From January to the middle of April the number of cases recorded was considerably above the average for the same period of the three previous years, but from then onwards there was a marked improvement, the numbers subsequently recorded being much below the average. As hitherto, the largest number of cases occurred amongst young adults, males being attacked much more frequently than females. The disease was, as usual, almost entirely confined to the occupants of insanitary tenements.

The principal centre of infection was as hitherto in the area which lies around the Town Hall, viz., Sea street, Wolfendahl, Fourth and Fifth Cross streets, &c. There were one or two subsidiary centres, e.g., Modara, Nagalagam, Grandpass, Vincent street, Symonds road, and Java lane. Elsewhere the disease was distinctly sporadic in character. The better class and more sanitary parts of the town entirely escaped infection.

Out of a total of 23,382 rats examined bacteriologically during the year, only 70, or 0·3 per cent., were infected, by far the largest number being found in the Fourth and Fifth Cross streets area, which is the chief centre of the petty trade in grain. The highest rates of infection amongst rats occurred during the months of February, March, and April, during which period the greatest number of human cases also occurred. It is of special interest to record that three out of six cats examined were found to be heavily infected.

The same preventive measures as hitherto were carried out, reliance being placed chiefly upon isolation of patients in hospital, segregation of contacts, evacuation and closure of insanitary tenements in infected localities pending the carrying out of structural improvements by the owners, pesterling of infected and adjacent houses, sulphur fumigation of rat tunnels, capture and poisoning of rats. Of these measures, the most effective are evacuation and improvement of insanitary dwellings and fumigation of rat tunnels.

The following are the chief statistical data for the four years since plague appeared here :—

	1914.	1915.	1916.	1917.
Total cases ..	413 ..	139 ..	291 ..	207
Total deaths ..	381 ..	128 ..	273 ..	196
Septicæmic cases ..	247* ..	81* ..	159 ..	124
Septicæmic deaths ..	246 ..	80 ..	159 ..	124
Bubonic cases ..	166 ..	58 ..	132 ..	83
Bubonic deaths ..	135 ..	48 ..	114 ..	72
Total case mortality per cent. . .	92·2 ..	92·8 ..	93·8 ..	94·7
Septicæmic mortality per cent. . .	99·6 ..	98·7 ..	100·0 ..	100·0
Bubonic mortality per cent. . .	81·3 ..	82·7 ..	86·4 ..	86·7

\* The cases for 1914 and 1915 each include one septicæmic recovery, but the diagnosis was not in either case confirmed bacteriologically, and may have been erroneous.

#### Monthly Incidence of Cases.

	1914.	1915.	1916.	1917.
January ..	4 ..	19 ..	17 ..	25
February ..	67 ..	6 ..	18 ..	40
March ..	58 ..	3 ..	18 ..	61
April ..	28 ..	3 ..	14 ..	34
May ..	29 ..	3 ..	11 ..	11
June ..	49 ..	1 ..	36 ..	3
July ..	47 ..	5 ..	43 ..	6
August ..	40 ..	20 ..	35 ..	1
September ..	18 ..	21 ..	25 ..	3
October ..	23 ..	24 ..	24 ..	7
November ..	24 ..	10 ..	25 ..	10
December ..	26 ..	24 ..	25 ..	6
Total ..	413	139	291	207
Monthly Mean ..	34·4	11·5	24·2	17·2

#### POPULATION.

The estimated population of Ceylon on December 31, 1917, was about 4,632,400. This shows a nett increase of nearly 85,500 over that of the previous year, and was made up of an excess of about 70,590 births over deaths, of 15,180 arrivals over departures of Indian coolies, and of a reduction of nearly 270 persons of the European population who left Ceylon during the year for war service. The population comprised the various nationalities shown below :—

Nationality.	Number.	Percentage of Total Population.
Sinhalese ..	2,951,100 ..	63·7
Tamils ..	1,338,100 ..	28·9
Moors ..	276,650 ..	5·9
Burghers ..	28,750 ..	·6
Malays ..	14,000 ..	·3
Europeans ..	7,200 ..	·2
Others ..	16,600 ..	·4

To every 100 males of the population there are 89 females, the same proportion as in the Census of 1911.

#### MARRIAGES.

The marriages registered during the year corresponded to a rate of 11·8 persons married per 1,000 of the population at all ages, exclusive of Muham-madans. This rate, though nearly equal to the average of the preceding decennium, is slightly below that for last year, when the rate was 12·0.



## BIRTHS.

The birth-rate in 1917 was 40·1 per mille of the population, and was 2·6 higher than the average of the preceding decennium. It was the second highest on record, being ·9 below that of 1908, which was the highest. The proportion of male to female births was 104 to 100.

## DEATHS.

The death-rate during the year corresponded to a rate of 24·7, and was the lowest recorded during the last ten years, being lower than the preceding decennial average by 5·7 and the rate for last year by 2·1. There were 57,812 deaths of males and 55,577 of females registered during the year under review, as compared with 61,150 and 59,012 respectively during 1916. The proportion of male to female deaths was 104 to 100, which is the same as the proportion of births.

The tea, rubber, and cacao estates at the end of the year contained a population of about 787,800, mostly of Tamil immigrants from Southern India. The death-rate in estates was 37·6, against an average of 36·4. This high-rate of mortality compared with the general death-rate for the Colony may be partly due to the fact that the estate rate is worked out on the estate population at the Census of 1911, more reliable figures not being available.

The urban death-rate (i.e., the rate for the principal towns) was 26·0, and was an improvement both on the average rate since 1908 (29·7) and the rate for the preceding year (28·0). Excluding Nuwara Eliya, whose mortality is only 8·5 per 1,000, and Vavuniya and Lunugala, whose population is below 1,000, the lowest death-rate (13·5) was in Ambalangoda, and the highest (44·7) in Nawalapitiya. The city of Colombo recorded a rate of 24·1, against an average of 29·4.

*Infant Mortality.*

Of the total deaths registered during the year, 28·2 per cent. were those of infants under one year of age, corresponding to a mortality rate of 174 per 1,000 births registered. This rate is 20 per 1,000 below the average for the preceding decennium, and 10 per 1,000 below that for 1916. The infant mortality in estates was 219 per 1,000 births and in the towns it was 233.

*Causes of Death.*

The proportion of deaths in the general community from certain principal causes to a million of the estimated population was as follows :—

Infantile convulsions 2,814, diarrhoea 2,217, pneumonia 1,090, phthisis 821, dysentery 666, anchylostomiasis 575, puerperal septicæmia 401, premature birth and congenital defects 349, malaria and malarial cachexia 278, bronchitis 189, cancer 92, and enteric fever 91. Plague, which broke out in Ceylon for the first time in 1914, is still continuing its scourge, having claimed as its victims in the year under review 211 persons, against 286 in 1916.

Accidental drowning accounted for 95 deaths per million population, fall from trees for 83, and snake-bite for 46. 240 deaths (including 2 Europeans) resulted from suicide, and corresponded to a rate of 52 per million persons living. The rate in England and Wales in 1915 was 78. Homicide accounted for 183 deaths, corresponding to a rate of 40 per million; 38 deaths were due to judicial hanging, representing a rate of 8 per million.

*Causes of Death in the Estates.*—The chief causes of mortality in the estates per million of the estate population were debility under three months 5,657, diarrhoea 4,532, anchylostomiasis 4,081, pneumonia 3,756, dysentery 3,494, infantile convulsions 3,038, debility three months and over 1,923, premature birth and congenital defects 1,127, bronchitis 814, phthisis 508, and malaria and malarial cachexia 496.

*Causes of Death in the Towns.*—In the 33 principal towns in the Island (inclusive of Colombo), of the total deaths registered, pneumonia accounted for 3,095 per million of the urban population, convulsions for 2,426, phthisis for

1,916, diarrhoea for 1,748, anchylostomiasis for 1,522, malaria and malarial cachexia for 1,134, enteritis for 1,103, dysentery for 974, enteric fever for 545, bronchitis for 490, and cancer for 201. Of the 197 deaths registered from plague in the 33 principal towns, no less than 189 were in the city of Colombo.

#### CLIMATE.

*General Remarks.*—There is a marked variation in climate between the different parts of Ceylon. In the low-country, with a mean temperature of the order of 80° F., a noticeable feature is the small range of both temperature and pressure; there is, however, wide divergence between the moist conditions in the south-west of the Island, where the average annual rainfall varies from 100 to 200 inches, and the dry zone areas of the north, north-west, and south-east. Inland, with altitudes reaching 8,000 feet, the temperature is cooler, and shows a bigger range; there is a corresponding change in vegetation, and the conditions are altogether more akin to those in the temperate zone.

*Rainfall.*—The highest annual rainfall registered was at Watawala railway station, which had a total of 239·43 inches, and 191 days on which rain fell. The lowest annual rainfall was at Pomparippu resthouse, which had a total of 27·87 inches on 44 days. The stations with the highest and lowest average annual rainfall are, respectively, Paduola with 219·05 inches on 201 days, and Pomparippu resthouse with 35·61 inches on 54 days. The longest drought occurred at Pallai, lasting for 143 days, March 24 to August 13. The longest wet period occurred at Strathellie estate, lasting for 40 days, August 27 to October 5.

Rain fell on 181 days at Colombo—Cinnamon Gardens—and totalled 72·03 inches, at Kandy 94·69 inches on 190 days, while at Nuwara Eliya there were 94·60 inches on 207 days. The rainfall for the year was heaviest on the north-east and south-west slopes of the hills, being especially heavy in the district east of Matale and the Nitre Cave district, and in the south-west to the north of Ratnapura and the Ambagamuwa district. An excess over normal was experienced practically throughout the east, and a deficit to the south-west and the north.

*Temperature.*—The station showing the highest mean shade temperature for the year was Mannar with 82·2° F., and the lowest Nuwara Eliya with 59·5° F. The figures for Colombo and Kandy were 80·1° F. and 75·9° F. respectively. The highest shade temperature recorded during the year was 98·5° F. at Trincomalee on May 23. The highest on record is 103·7° F. at Trincomalee on May 12, 1890. The highest shade temperature at Colombo in 1917 was 91·7° F. on February 7. The mean daily range, i.e., the difference between the mean of the maximum and the mean of the minimum, was highest at Nuwara Eliya (17·7° F.) and the lowest at Galle (8·1° F.). At Colombo and Kandy it was 11·5° F. and 15·2° F., respectively. The absolute range for the year, i.e., the difference between the highest and the lowest readings actually recorded, was greatest at Nuwara Eliya (47·1° F.) and lowest at Galle (20·7° F.).

### IX.—POLICE AND CRIME.

#### POLICE.

The strength of the Force on December 31, 1917, provided for in the Estimates was 1 Inspector-General, 2 Deputy Inspectors-General, 10 Superintendents, 21 Assistant Superintendents, 3 Probationers, 45 Inspectors, 108 Sub-Inspectors, 1 Station House Officer, 326 Native Sergeants, and 2,252 Native Constables. European Police: 1 Inspector, 3 Sub-Inspectors, 11 Second Class Sergeants, and 20 Third Class Sergeants. Total of all ranks 2,804.

The Force was kept up to strength of native sergeants and constables throughout the year, the actual strength on December 31 being only 5 short of the sanctioned (2,573, against 2,578).

The total strength of the Force was short by 43 on December 31, the shortage being principally among the European Police Force, which is working with the

minimum number of men actually necessary for carrying on the most essential duties only during the war.

During the year four gentlemen resident in the Colony being themselves physically unfit or otherwise prevented from proceeding on war service, offered their services to permit physically fit Police officers to go on active service. With the appointment of these gentlemen as Temporary Assistant Superintendents, and by the appointment of two Inspectors and Sub-Inspectors to act as Assistant Superintendents, it was possible to relieve six more officers of the Force for active service. There are now on active service 3 Superintendents, 5 Assistant Superintendents, 2 European Sub-Inspectors, 1 European Sergeant, 2 Native Sergeants, and 5 Native Constables.

An effort is being made to get disabled men of the Navy and Army to take the place of European Sergeants physically fit and anxious to proceed on active service. Three disabled men selected by the Secretary of State with this object in view arrived in Ceylon from England in December, 1917, and are now being trained.

Out of 24 officers in the Force when war broke out, 1 (Mr. A. C. Godfrey) has been appointed Inspector-General of Police, Mauritius, 1 is on active service with a permanent Commission, and 8 have obtained temporary Commissions in the Army.

The strength of the Force was increased by 9 officers after the disturbances in May/June, 1915, and the 19 vacancies have been filled as follows :—

Probationers from England in 1915 ..	..	..	2
Officers temporarily appointed ..	..	..	9
Inspectors promoted to be or to act as Assistant Superintendents ..	..	..	4
Total ..			15

It has not been possible to fill the remaining vacancies, and there are actually now in Ceylon 29 Officers, Temporary Officers, and Acting Assistant Superintendents to fill 37 posts.

Good reports have been received of all members of the Force on war service. The cost of the Force was Rs. 1,758,560 approximately.

#### CRIMINAL STATISTICS.

The decrease in crime in the year 1916 as compared with 1915 (excluding crime committed during the disturbances in May/June, 1915) was maintained in 1917, as the following statement shows :—

	1915 (excluding Crime committed during the Disturbances in May/June, 1915).	1916.	1917.
Homicide ..	204 ..	158 ..	163
Attempted homicide ..	43 ..	29 ..	40
Grievous hurt ..	615 ..	641 ..	727
Hurt with dangerous weapons ..	1,214 ..	1,093 ..	1,012
Burglary ..	1,911 ..	1,899 ..	1,892
Theft of cattle and prædial produce ..	981 ..	911 ..	891
Other offences ..	3,369 ..	2,903 ..	2,856
Total ..	8,337	7,634	7,581

It will be seen that since 1915 there has been less crime against the person, as well as a decrease in crime against property.

There was trouble on Fordyce estate in the Dikoya district on August 31, 1917, in connection with the treatment of coolies for anchylostomiasis. New regulations have now been passed to assist the medical officers and superintendents of estates in prescribed areas in the examination and treatment of estate coolies.

An interesting result of the issue of the new 2-rupee notes was the way in which persons who had previously been concerned in the forgery of 100-, 50-, and 10-rupee notes quickly took up the counterfeiting of the new notes.

It had been supposed that in the case of the 2-rupee notes the margin of profit available for the forger, the utterer, and possibly some third party would not be sufficient to attract the interest of forgers of notes. In November, 1917, a man was arrested whilst in the act of uttering 151 forged 2-rupee notes. He was convicted and sentenced to sixteen years' rigorous imprisonment. Another man who was charged in the same case with possessing forged notes was sentenced to ten years' rigorous imprisonment. The prompt capture and the deterrent punishment inflicted should have good effect.

During the year seven ringleaders of the riots in May/June, 1915, who had absconded, were arrested, including the murderer of a constable killed while on duty during the riots in the Colombo District of the Western Province. Seven riot ringleaders are still at large.

The following table shows the distribution of crime :—

Province.	Homicide.	Attempted Homicide.	Grievous Hurt.	Hurt with Dangerous Weapons.	Burglary.	Theft of Cattle and Prædial Produce.	Other Offences.	Total.
Colombo City	6	1	82	93	57	6	319	564
North-Western	23	12	62	117	285	160	411	1,070
Western	55	10	210	314	552	339	693	2,173
Southern	34	8	128	188	372	164	272	1,166
Sabaragamuwa	16	2	76	82	221	83	224	704
Uva	5	1	19	27	53	48	166	309
North-Central	—	—	11	12	23	11	62	119
Central	13	5	89	90	237	25	372	831
Northern	4	1	40	61	53	30	264	453
Eastern	7	—	10	28	39	25	83	192
Total	163	40	727	1,012	1,892	891	2,856	7,581

Comparing the number of serious offences committed with the population in each Province, it is found that—

	Persons.
In the Colombo City there is 1 case of crime to every	384
In the North-Western Province	406
In the Western Province	409
In the Southern Province	539
In the Province of Sabaragamuwa	580
In the Province of Uva	701
In the North-Central Province	725
In the Central Province	809
In the Northern Province	816
In the Eastern Province	957

There was an increase of crime in the Northern, North-Western, and Southern Provinces in 1917; there was a slight increase in the Western; crime in the North-Central Province was normal with 1916; there was a decrease in crime in the Eastern, Uva, Central, and Sabaragamuwa Provinces, and in Colombo city. The greatest increase in crime in 1917 is found in the Northern Province (13 per cent. increase). In the Eastern Province there was a marked decrease on the 1916 record (30 per cent. decrease). In 1916 there was an abnormal amount of burglary and theft in the Eastern Province. The return for 1917 is normal with the return of years prior to 1916, and there is again less crime per population in the Eastern than in any other Province. Most of the crime in the Island is committed in the Western, Southern, North-Western, Central, and Sabaragamuwa Provinces, and it is in these Provinces and in Colombo city that the Police are chiefly employed.

*Action taken to deal with Crime.*—The proportion of serious crime to population in Ceylon is still very high (1 to 542). The proportion of Police to

population is 1 to 1,464. The steps taken to deal with crime in the Colony during the year were :—

- (i.) The establishment of additional police stations in the Kegalla District.

The only police station in this district was a force of 14 men at the headquarters of the district in Kegalla town. This force was employed in guarding the Treasury and performing beat and patrol duty in the town. There were no Police available for investigating crime or dealing with disorder in the district. The only lock-up or cells in the district were in Kegalla town, and the need of Police was greatly felt, not only during the disturbances in May/June, 1915, but in dealing with crime generally. The rioting in the Kegalla District in May/June, 1915, was of a particularly serious character. Dynamite was largely used, and rioting continued till some time after rioting had ceased in other Provinces and districts.

The increase in crime in this district in recent years is probably due to the country being opened up, low-country men and plumbago coolies coming in, over whom the headmen have not the same control as over their own villagers.

Additional police stations were opened at Rambukkana, Aranayaka, Warakapola, Ruanwella, Dehiowita, and Yatiyantota. A separate police station to deal with crime outside but round the town of Kegalla was started, a prosecuting officer stationed at Avissawella to conduct cases in the Police Court, and an Assistant Superintendent placed in charge of the district with an office and headquarters in Kegalla town.

- (ii.) Twenty-two additional Inspectors and Sub-Inspectors were appointed for the investigation of crime, and for making inquiries in areas where crime is prevalent.
- (iii.) A punitive Police Force was established at Ambepitiya, in the Kalutara District of the Western Province. Four murders had been committed in two years in this village, and in no case had the offender been brought to justice, owing to the suppression of evidence.
- (iv.) Funds were provided for connecting up more police stations with the headquarters of each district by telephone.
- (v.) Sessions of the Supreme Court were held in districts in which crime is prevalent, *e.g.*, Kalutara, Panadure, Kurunegala, Chilaw, Negombo, Ratnapura, Matara, with good effect. In Provinces where crime is prevalent the trial of an offender in the district where the crime was committed has more effect than trial in a distant town, and possibly in another Province.
- (vi.) Special attention is being given to the training of all ranks in the Force in the investigation of crime.

*First-Aid to the Injured.*—Every Officer, Inspector, Sub-Inspector, and Sergeant is now required to hold a First-aid Certificate. No constable is promoted to the rank of Sergeant until he has obtained a First-aid Certificate. A certain number of intelligent Constables hold First-aid Certificates; the remainder are trained to act under a Sergeant, Sub-Inspector, Inspector, or Officer holding a First-aid Certificate, of whom there is always at least one in every police station in the Island.

*Institutions of the Force* include a Pensioners' Corps, which secures employment for men no longer physically fit for active police duty, and a Boys' Brigade, numbering 236, in which sons of Police officers are trained from the age of 5 upwards. Boys between the age of 5 and 13 do one hour's drill, physical exercises, and boxing, and four hours' school daily. On reaching the age of 14 each boy is eligible for promotion to the senior division of the Brigade, in which he starts earning a pay of Rs. 5 a month at the age of 14 to Rs. 10 a month at the age of 17. At the age of 18 he is eligible for enlistment in the Force. Boys in the senior division do one hour's drill or boxing, two hours' school, and for three hours a day act as messengers in attendance at a police office.

Schools are maintained for the boys at Headquarters, in the Colombo police stations, in Kandy, Jaffna, and wherever necessary.

The object of the Brigade is to provide healthy exercise and recreation for the sons of Police officers and pensioners, and to provide them during their youth with sound instruction such as will fit them when they grow up to take their place in the ranks of the Force. There are now 16 men in the Force who started in the Brigade.

*General Steps taken towards the Improvement of the Force in 1917.*—Funds were provided for—

- (a) Starting the new Police Headquarters and providing married quarters for European Sergeants.
- (b) Starting the new Police Training School buildings. The Training School is at present temporarily housed in the old Volunteer Headquarters in the Pettah, which merely provides sleeping accommodation and classrooms for the recruits. The officers in charge and the instructors live a long way from the school; there is no room or ground for purposes of recreation, and the locality is not desirable. A good site has been reserved next to the Police Recreation Ground for the new school buildings, and for the quarters of the instructors, the officer in charge, and the other officers resident in Colombo. The scheme approved will not only provide for the housing of the school on a healthy site, but will bring recruits under the constant influence, both in work and play, of their officers, and should go far to provide for the future efficiency of the Force, and the formation of a sound, healthy, moral tone.
- (c) The housing of the Police at Mahara, Teldeniya, and the Inspector at Hatton.

A .22 rifle provided at every police station so that monthly practice in musketry at a miniature range (25 yards) is possible.

#### PRISONS.

There was a decrease of 478 in the total number of admissions of convicted prisoners of Ceylon during the year 1917, excluding Road Ordinance defaulters, of whom there were 135, as against 142 in 1916. The figures are as follows :—

1916	::	::	::	::	10,989
1917	::	-	::	::	10,511

The number of prisoners sentenced to death was 59, as against 48 in 1916. There were 39 executions during the year, as against 30 in 1916. Of the 39 whose capital sentences were carried out, 32 were Sinhalese, 6 Tamils, and 1 Muhammadan. Of the number sentenced to death in 1917, 1 committed suicide whilst in the police custody and 1 was hanged in 1918. Of the number hanged, 1 had been sentenced in 1916. Six convicts were deported to the Andamans for life. There were 9 escapes and 7 recaptures during the year.

The total number of deaths in jail was 131, as against 389 in 1916, and the death-rate per thousand of the prison population was 7·69, as against 22·37 in 1916 and 8·63 in 1915. The daily average sick was 158·34, as against 259·89 in 1916 and 167·98 in 1915. The number of punishments inflicted during the year for prison offences was 1,892, as against 2,526 in 1916 and 1,422 in 1915. There were 26 cases of corporal punishment, as against 66 in 1916.

Prisoners are in all prisons employed upon works of public utility and remunerative industrial labours. At Welikada and Bogambra jails various trades are taught, such as carpentry, blacksmiths' and tinsmiths' work, boot-making, tailoring, cane furniture and matting, coir brooms, rugs, mats, coal and tea leaf bags, ropes, strings, the making of bamboo tats, laundry work, printing, bookbinding, and mason's work.

During the past year a large amount of wooden furniture has been turned out for various Government Departments free of charge from timbers supplied by the Forest Department. The output is, however, not equal to the demand, owing to want of steam power to deal with the large logs of wood. A great

delay is experienced in having to tackle these by hand. With steam power the output could be more than doubled. Government Departments are now obtaining very large supplies of brooms, tats, mats, door rugs, &c., from Welikada jail, all free of charge. In addition to the works above mentioned, Welikada jail supplies the Government Printing Office with a daily average of some 250 prisoners, besides washing all soiled linen for all institutions of the Medical, Health, and Railway Departments in Colombo, as well as making up all clothing and bedding for the Colonial Storekeeper. All labour is free of charge to Government Departments.

The prisoners at Mahara are exclusively employed in the quarries on account of the Harbour Works and Public Works Departments. 39,612 stone setts were dressed, valued at Rs. 7,130. 3,500 tons of rubble, valued at Rs. 12,566, and 864 cubes of metal, valued at Rs. 15,550, were despatched to the Colombo Harbour Works; while the Public Works Department were supplied with 12,025 stone setts, 1,306 dressed stones, 1,060 cubes of rubble, and 1,582 cubes of metal, of a total estimated value of Rs. 49,435. In addition to the above works, the site for the new Harbour Works quarries has been cleared of jungle and soundings taken, and a railway line laid down to the Public Works Department quarry by prison labour. Three additional sheds were also erected in the portable jail, and a gang of prisoners are now employed in putting up quarters for the Police.

The Karaiur reclamation works at Jaffna are making satisfactory progress, but owing to the large numbers of prisoners discharged, the reclaimed area is not as large as in 1916.

The prisoners at Anuradhapura, Kandy, Galle, Chilaw, Badulla, and Tangalla also supply metal to the Public Works Department; while a small party at Anuradhapura is now employed by the Forest Department in clearing jungle and planting out Ceylon teak trees. At Negombo convalescents are employed on basket-making and supplying coir strings.

The improved water supply at Mahara jail has proved efficient in bringing about a marked improvement in the health of the prisoners. The incidence of bowel complaints has now been markedly reduced by the chief causative factor having been removed. The daily average sick was 28·96, the percentage of sick to strength 3·38, and the percentage of deaths to strength 1·12, as against 47·23, 6·16, and 3·96, respectively, for 1916; while the daily average strength of prisoners at Mahara in 1917 was 824·65, as compared with 765·54 for 1916.

In August last schools were opened in Welikada, Bogambra, Mahara, and Jaffna jails. Prisoners who on admission to prison are 23 years of age and under and have a sentence of six months and over attend school at these jails for two hours daily. The schoolmasters are supplied by the Director of Education.

#### X.—POST AND TELEGRAPHS.

Two new post offices were opened during the year, viz., Naula in the Matale District and Madampe in the Chilaw District. The number of telegraph offices was increased by the opening of postal-telegraph offices at Naula, Madampe, and Waga (Kelani Valley). An additional railway receiving office was opened at Paranthan, and village receiving offices in eleven villages. At the close of the year the total number of offices of all classes was 524, of which 147 were telegraph offices.

The number of articles, exclusive of parcels, which passed through the post in Ceylon is estimated at 43 millions in 1917, as against 43½ millions in 1916. The number of parcels dealt with was 754,391, as against 753,837 in 1916.

#### FOREIGN MAIL SERVICES.

The disorganization in the foreign mail services caused by the war continued, and fewer mails could be sent to Australia and to East, owing to the withdrawal of the P. & O. and the Orient Company's regular sailings, and to the use of the

Cape-Singapore route in the case of the Japanese mail steamers, &c. Advantage was taken as far as possible of non-contract vessels on these routes; and the Australian line was the only one in which prolonged delays occasionally occurred.

#### THE TELEGRAPH SYSTEM.

Additional circuits were installed between Kandy and Gampola and between Padukka and Waga, bringing the total wire mileage to 6,953.

The number of paid inland telegrams handled during the year was 1,063,175, yielding a revenue of Rs. 348,584. The total number was about 3 per cent. less than that handled in 1916, which was the highest on record, and 12½ per cent. above that handled in 1914, the next highest. The average time occupied in the transmission of an inland telegram was 17 minutes, 84 per cent. of telegrams being transmitted within 10 minutes, and 99 per cent. being sent out for delivery within 10 minutes of receipt at office of destination.

#### THE TELEPHONE SYSTEM.

New telephone trunk lines were run during the year between Gampola and Nawalapitiya (9 miles) and between Polgahawela and Kurunegala (14 miles), and a junction line between the private exchanges at Radella and Tillicoultry. At the close of the year the following Government trunk lines were in use:—

(1) Colombo-Polgahawela-Kandy (duplicated) ..	75 miles
(2) Colombo-Kalutara-Ambalangoda-Galle ..	72 "
(3) Kandy-Hatton-Nuwara Eliya ..	66 "
(4) Colombo-Negombo ..	24 "
(5) Kandy-Gampola-Nawalapitiya ..	21 "
(6) Colombo-Moratuwa-Panadure ..	18 "
(7) Kandy-Wattegama-Matale ..	18 "

Besides several trunk and junction lines less than 15 miles.

Public trunk call offices were opened at the post offices at Galaha, Katugastota, Kurunegala, Nawalapitiya, Norwood, Pussellawa, Watawala, and Wattegama. The new Government urban exchanges at Kurunegala, Matale, Gampola, and Nawalapitiya were proceeded with, though progress was handicapped by shortage of stores. At the close of the year there were 14 Government exchanges with trunk facilities open. The five largest were (with number of subscribers) Colombo 1,621, Kandy 87, Nuwara Eliya 81, Galle 57, and Kalutara 31. Apart from Government exchanges, there are small private licensed district systems with a total of 623 subscribers, 400 of whom have trunk facilities *via* junction lines to their exchanges provided on suitable terms by the Government.

It is estimated that 6,793,000 calls were dealt with at Government exchanges in 1917, the number of trunk calls averaging about 200 per diem. The fee (15 cents each) for delivering telegrams to subscribers by telephone and subsequent confirmation by post was abolished, but the fee was continued in the case of telegrams received at post offices over the telephone for onward transmission.

#### POST OFFICE SAVINGS BANK.

The withdrawals continued to be in excess of deposits, the totals for the year being—

	Rs.
Withdrawals .. ..	1,520,750
Deposits .. ..	1,186,934
Difference .. ..	<u>333,816</u>

#### FOREIGN MONEY ORDER SYSTEM.

The rate of exchange of Rs. 15 to the £, which had been in force unchanged for several years, had to be altered to Rs. 14·12 to the £ to meet the enhanced exchange value of the rupee; and to prevent abuse of the money order system in view of the general financial difficulties, the amounts which could be remitted



(by single remitters by money order) from other countries to Ceylon had to be limited, *e.g.*, from the United Kingdom to £40 per week, from the Straits Settlements and Federated Malay States to Rs. 150 per week, and from South Africa and Egypt to £10 per week.

## XI.—PUBLIC WORKS.

### PUBLIC WORKS DEPARTMENT.

The total expenditure of the Public Works Department has increased from Rs. 3,437,862 in 1896 to Rs. 11,364,627 in 1917, the latter figure showing an increase of Rs. 2,560,049 over 1916. The average annual expenditure during the past twenty-two years has been Rs. 6,001,200.

The total length of roads maintained by the Public Works Department during the year was 4,038 miles, of which 3,769 miles are cart roads and 269 miles are bridle roads.

Amongst the more important works carried out or in course of construction during the year may be mentioned the following :—

*General.*—Bungalows for Government officers stationed in Colombo ; grain sheds, Colombo ; additions to Government Training College, Colombo ; Public Works Department buildings, Nalanda ; Agricultural Department buildings, Peradeniya ; quarters for Secretary, District Court, Nuwara Eliya ; quarters for Forester, Nuwara Eliya ; Pilot Station, Galle, and quarters for officer in charge ; additions and improvements to District Court, Jaffna ; quarters for Public Works Department clerks, Puttalam ; new Public Works Department office, Dandugama ; quarters for District Engineer, Maradankadawala ; quarters for Inspector of Vaccination, North-Central Province ; Stock Inspector's quarters, Anuradhapura ; clerks' quarters, Anuradhapura ; Stock Inspector's quarters, Bandarawela ; Post and Telegraph Office, Kahawatta.

*Medical Buildings.*—New Merchants' Ward, General Hospital ; new Lunatic Asylum, Angoda ; Religious Sisters' quarters, General Hospital ; a children's ward at Kandy hospital ; Leper Asylum, Eastern Province ; new hospitals at Chilaw, Passara, Alutnuwara, Kitulgala, Kahawatta, and Aranayaka ; an infectious diseases hospital at Ratnapura ; additions and improvements to the hospitals at Neboda, Dambulla, Madulkele, Nawalapitiya, Dolosbage, Nuwara Eliya, Balapitiya, Marawila, Mullaattivu, Dandugama, Nikaweratiya, Kurunegala, Haputale, Buttala, Namunukula, and Lunugala ; new dispensaries at Morawaka, Madampe, Irakkamam, and Paddirippu.

*Police Buildings.*—Quarters for twelve European married sergeants, Colombo ; six quarters for married constables at Mahara jail ; married quarters for Police, Nuwara Eliya ; improvements to police barracks, Jaffna ; new police barracks, Kurunegala ; and additions to police station, Avissawella.

Progress was also made with the Colombo Lake Development project ; construction of a quarantine camp at Mandapam, South India ; Karaiur Reclamation, Jaffna ; overhead bridge, Parsons road, Colombo ; Gin-oya bridge, Chilaw District ; and Digarolla bridge, Moratuwa.

### IRRIGATION.

The total expenditure of the Irrigation Department for the financial year 1916-17 was Rs. 828,473.19.

The schemes under construction were Karachohi, Unnichohai, Pattipola-aar, and Kirinde-oya right bank. Work on Tabbowa scheme, which was closed down in September, 1915, has not been re-started.

Surveys were made in connection with the following schemes :—Nalanda-oya, Walawe left bank, Giant's tank, Jaffna lagoon, Akathimurippu, Unnichohai, Allai, Kantalai, and Nachchaduwa.

The area irrigated and paying rate under the Crown works is 124,320 acres ; in addition, there is a large area irrigated free.

A considerable area of irrigable land is ready for development.

## SURVEY.

The operations of the Survey Department for the period under review, with the staff reduced owing to the war, comprised 54,332 acres of block surveys and 234,683 acres of forest reserve surveys.

The number of block survey preliminary plans issued was 85, containing 7,044 lots, covering an area of 33,736 acres. The number of forest reserve plans issued was 4, containing 4 lots, covering an area of 39,225 acres. One topographical preliminary plan of 69 lots, with an extent of 23,232 acres, was issued.

The total area now covered by block survey is 2,184,182, by the topographical survey with block survey insets 1,093,380, and by forest reserve survey 291,906 acres, making a total of 3,569,468 acres.

108 final village plans for 38,195 acres in 2,481 lots were issued to the Government Agents and Assistant Government Agents during the year. The total area covered by final village plans in the hands of the Government Agents and their Assistants now stands at 757,047 acres contained in 27,928 lots, or 1,825 final village plans.

1,006 preliminary plans for 48,910 acres in 4,099 lots were forwarded to the Government Agents, their Assistants, and to the Settlement Officer. 421 supplementary surveys, consisting of 811 lots covering 2,784 acres, have been made within issued final village plans and preliminary plans.

338 applications covering 988 acres were surveyed for paddy cultivation, 35 applications covering 1,191 acres for tea, 76 applications covering 1,450 acres for rubber, 186 applications covering 587 acres for coconuts, 443 applications covering 1,330 acres for miscellaneous cultivations, and 286 applications covering 397 acres for building purposes, &c.

Many surveys have been carried out for the purpose of acquiring land for works of public importance, including a new site for the Colombo bulk oil installation and a railway connection thereto, also surveys for the Badulla Railway, the Chilaw-Puttalam Railway, and for a police training ground at Colombo, besides others for the improvement of several small towns in the Western Province, &c.

The extensive surveys for dealing with the irrigable land under Vakaneri tank in the Eastern Province were completed, and similar surveys for the Kirinde-oya right bank irrigation scheme, in the Southern Province, were taken in hand.

Town surveys have been carried out in Colombo, Galle, Trincomalee, Matara, Nawalapitiya, and Kadugannawa.

The topographical flat map survey of the Western and part of the Southern Province was completed. The flat map survey of the Island is now complete.

## RAILWAY.

*Open Line.*

No new sections of the line having been opened for traffic during the year, the total length of the line remains the same as last year, viz., 705½ miles.

The revenue derived during the year was Rs. 18,487,093, or Rs. 472,550 in excess of the preceding year. This figure does not include items on warrants on account of work done for other departments, which amount to Rs. 1,114,515. To this increase of Rs. 472,550, Coaching Traffic contributed Rs. 185,562, Goods and Live Stock Traffic Rs. 336,953, and Motor Service Rs. 4,788, whilst the receipts under Miscellaneous have fallen off to the extent of Rs. 54,753.

The number of passengers conveyed was 12,935,742, or 205,245 in excess of last year. The number of season ticket holders shows an increase of 2,957, and parcels an increase of 85,734. There has, however, been a decrease of over 70,000 in the number of coolies conveyed.

As regards Goods Traffic, the tonnage conveyed, inclusive of Foreign Traffic, was 1,250,482 tons, as compared with 1,210,635 tons in the previous year. The most noticeable increases are Rubber 5,314 tons, Rice 8,613 tons, Fruit and Vegetables 3,472 tons, Sundry Goods 25,179 tons, and Foreign Goods

40,616 tons. The decreases are under the heads of Tea and Manure, with 6,854 and 62,530 tons, respectively.

The expenditure for the year, including a sum of Rs. 30,423 spent on new works and charged to ordinary maintenance, was Rs. 9,480,461.

The result of the year's working is as follows :—

				Rs.
Receipts	..	..	..	18,487,093
Working expenses	..	..	..	9,480,461
				<hr/>
		Balance	..	9,006,632

The total capital cost, including additional accommodation and improvements, to September 30, 1917, was Rs. 132,922,962, and the capital outstanding on Railway Loans Rs. 56,125,141. During the year 11 passenger and 29 goods vehicles were put into traffic on the broad gauge, and 4 passenger and 2 goods vehicles on the narrow gauge lines.

Owing to the requisitioning of the ships carrying coal for the Railway from Calcutta, it became necessary to reduce the train service in December, and to use a much larger proportion of wood as fuel.

#### *Railway Extensions.*

The work on the Badulla Extension, which is an extension of the main line beyond Bandarawela, and is 21 miles in length, has progressed steadily. This is a difficult line to construct, with steep gradients and sharp curves. The work is confined mostly to the sections between Bandarawela and Naulla. The high arch viaduct (102 feet), nine spans of 30 feet, is under construction. The line between Bandarawela and Ella is nearly finished.

The construction of the Pelmadulla line, 21½ miles long (being an extension of the narrow gauge beyond Ratnapura), is also a line passing through very difficult country, and is in a forward state, the progress being as satisfactory as can be expected under present circumstances.

The survey of the line forming a direct connection with the harbour from the main lines north of Colombo is completed. Application has been made for the acquisition of all the land required for the construction.

The survey of the line connecting the new Kolonnawa oil yards with the main lines at Urugodawatta is finished, and the necessary land applied for.

Application has been made for the acquisition of all lands required for the Puttalam Extension, which is an extension of the west coast line north of Chilaw. This line will be 32½ miles in length.

During 1917 one large broad gauge shed and yard, cart area, &c., and one lakeside narrow gauge shed and yard have been opened for traffic in Colombo. The duplication and deviation of the main lines between Maradana and Slave Island, including the new Fort station, have been brought into use. The construction of the Parsons road overhead bridge is completed as far as circumstances will allow.

The survey and estimate of the proposed branch line between Katukurunda (Kalutara) and Agalawatta, 15½ miles in length, has been completed.

The survey of the branch line from Dehiwala to Horana, 18½ miles in length, has been finished, and the estimate is in hand.

Steady progress is being made on the duplication of the Main line between Ragama and Ambepussa.

#### COLOMBO DRAINAGE WORKS.

The drainage of Colombo has been undertaken by Government at the request of the Municipal Council, the necessary funds being advanced by Government on loan, while further assistance is being given by the contribution of a part of the expenditure as a free grant.

The scheme provides for a complete system of sewers and rain-water drains throughout the city, and for the disposal of the sewage by bacterial treatment upon modern lines.

At the end of 1917 123 miles of sewers and rain-water drains had been laid, and five pumping stations brought into regular operation.

The City Sanitation Engineer's report for December showed that 27 public water-carriage latrines had been constructed and put into use, and that 1,073 other premises had been drained.

## XII.—EXCISE.

An important feature in the history of Excise reform in the year under review is the adoption of the report made by the Commission appointed to consider the arrangements for the manufacture and sale of spirits in Ceylon. Some of the more important recommendations of the Excise Commission are :—

- (1) Considerable strengthening of the Excise staff.
- (2) Improvement of existing toddy arrack distilleries.
- (3) The introduction of the contract supply system as a temporary measure, and eventually a system of purchase by tavern keepers in the open market.
- (4) The prohibition of "off" sales at taverns outside Municipalities, Local Boards, and large towns in two districts as an experimental measure.
- (5) The imposition of certain further restrictions in connection with the sale of foreign liquor.
- (6) The closing of a tavern in any area where 75 per cent. of the tax-paying population objects to its existence.
- (7) The delegation to certain planters of powers under certain sections of the Excise Ordinance.
- (8) The reconstruction of Advisory Committees.

The sanctioned strength of the Department remained practically the same as in 1916, viz., 1 Excise Commissioner, 1 Deputy Commissioner of Excise, 4 Assistant Commissioners of Excise, 1 Excise Adviser, 2 Superintendents of Excise, 13 Assistant Superintendents of Excise, 1 Distillery Officer, 101 Excise Inspectors, and 228 Excise peons, in addition to a clerical staff.

The Advisory Committees appointed to consider and assist Government Agents and Assistant Government Agents in the work connected with arrack and toddy taverns continue to give valuable aid.

Every effort is being made to cope with and, if possible, completely to eradicate the "cocaine habit" in Ceylon.

Stringent measures continue to be taken to put down the use of every part of the hemp plant (*cannabis indica* or *sativa*) in forms commonly known as ganja and bhang. The smuggling of ganja from India is a matter that is continually receiving the close attention of this Department. Several cases of such smuggling in 1917 were detected by Excise officers and ended in convictions in Police Courts. The efforts of the Department to put down the use of ganja and bhang and any preparation thereof have resulted, *inter alia*, in prosecutions during 1917 as per the subjoined table :—

Number of cases decided .. .. .	299
Number of persons convicted .. .. .	248
Total fines and forfeitures .. .. .	Rs. 30,815·63

4,426 cases of offences against the Excise law have been detected in 1917, of which 1,680 were disposed of departmentally by the levy of composition fees, totalling Rs. 22,520. The prosecutions in courts resulted in fines and forfeitures amounting to Rs. 127,171·59, exclusive of other punishment, such as imprisonment, &c. The corresponding figures for 1916 were 3,981 (1,742 compounded for Rs. 20,055) and Rs. 128,937·57.

The amount realized for the 1917–18 arrack rents is the highest on record. The toddy rent sales also show an increase when compared with 1916–17. The

amounts realized on account of arrack and toddy rents in the two preceding financial years are shown here for comparison with the amounts realized in 1917-18 :—

			Arrack.			Toddy.	
			Rs.	c.		Rs.	c.
1915-16	..	..	6,747,378	0	..	973,844	0
1916-17	..	..	7,807,658	0	..	1,459,772	0
1917-18	..	..	7,814,121	55	..	1,648,506	0

The increase in arrack rents is slight. As regards toddy, the increase is due to closer supervision and better working of taverns, and also to the fact that the hours of toddy taverns had not been curtailed as in the case of arrack.

In accordance with one of the recommendations of the Excise Commission, the fees for foreign liquor licenses have in some cases been revised. The fees obtained during the financial year 1917-18 by the issue of foreign liquor licenses amounted to Rs. 129,118·25, against Rs. 144,280·50 obtained during the financial year 1916-17.

The general conditions applicable to all Excise licenses and the arrack and toddy rent sale conditions were revised for the 1917-18 rent period.

The hours of opening and closing arrack and foreign liquor taverns and shops were fixed as from 8 A.M. to 6.30 P.M. generally. The Government Agents and Assistant Government Agents, however, with the advice of their Advisory Committees, were empowered to extend the hour of closing such licensed premises to such hour as local circumstances warranted. The closing hours of toddy taverns will be brought into line with those of arrack taverns as from the 1918-19 rent period.

In 1917 there has been a fall in the consumption of arrack, but an increase in the case of toddy, as compared with 1916. The consumption of arrack and toddy in the years 1915, 1916, and 1917 was—

				Arrack.		Toddy.
				Gallons consumed.		Gallons consumed.
1915	..	..	..	1,212,828	..	3,144,672
1916	..	..	..	1,286,367	..	3,998,645
1917	..	..	..	1,144,132	..	4,627,097

Some of the contributory causes for the decrease in consumption of arrack may be suggested as (1) the early closing of taverns, (2) certain industries being adversely affected by the war and shortage of money generally, (3) the fixing of a minimum selling price for arrack. The increase in the case of toddy is due to the diversion of a large part of the drinking population to toddy owing to its being the cheaper drink, and closer supervision resulting in a considerable reduction of illicit consumption.

The number of private distilleries licensed during 1917 was 231, as against 219 in 1916, showing an increase of twelve licenses.

There were 117 successful prosecutions in 1917 (as against 108 in 1916) by officers of the Distillery Circle. The fines imposed by courts in these cases amounted to Rs. 11,819.

All work in connection with the Government Experimental Distillery at Kalutara was stopped during the year.

The distillery at Point Pedro worked by the Ceylon Sugar Refineries, Limited, was permitted, with certain limitations, to manufacture and sell arrack distilled from molasses.

The system of admitting "Excise Learners" with a view to their eventual employment as Excise Inspectors has been maintained, as it proved to be satisfactory. Twelve learners were appointed on the results of a competitive examination held on November 2 and 3, 1917, by the Director of Education.

April 25, 1918.

C. H. COLLINS,  
Second Assistant Colonial Secretary.



# COLONIAL REPORTS, &c.

The following recent reports, &c., relating to His Majesty's Colonial Possessions have been issued, and may be obtained from the sources indicated on the title page:—

## ANNUAL.

No.	Colony, &c.	Year.
939	Sierra Leone .. .. .	1916
940	Straits Settlements .. .. .	"
941	Cyprus .. .. .	1916-1917
942	Grenada .. .. .	"
943	Jamaica .. .. .	"
944	Somaliland .. .. .	"
945	Swaziland .. .. .	"
946	Nigeria .. .. .	1916
947	Basutoland .. .. .	1916-1917
948	Gold Coast .. .. .	1916
949	Ashanti .. .. .	"
950	Bechuanaland Protectorate .. .. .	1916-1917
951	Barbados .. .. .	"
952	Leeward Islands .. .. .	"
953	St. Vincent .. .. .	"
954	Uganda .. .. .	"
955	Nyasaland .. .. .	"
956	Northern Territories of the Gold Coast .. .. .	1916
957	British Honduras .. .. .	"
958	Gilbert and Ellice Islands .. .. .	1916-1917
959	Cayman Islands .. .. .	"
960	Bermuda .. .. .	1916
961	Mauritius .. .. .	"
962	Ashanti .. .. .	1917
963	Falkland Islands .. .. .	"
964	Seychelles .. .. .	"
965	Weihaiwei .. .. .	"
966	Fiji .. .. .	"
967	Solomon Islands .. .. .	1917-1918
968	Grenada .. .. .	"
969	Turks and Caicos Islands .. .. .	1917
970	Northern Territories of the Gold Coast .. .. .	"

## MISCELLANEOUS.

No.	Colony, &c.	Subject.
79	Northern Nigeria .. .. .	Mineral Survey, 1907-8 and 1908-9.
80	Nyasaland .. .. .	Mineral Survey, 1908-9.
81	Southern Nigeria .. .. .	Mineral Survey, 1908-9.
82	Imperial Institute .. .. .	Rubber and Gutta-percha.
83	Southern Nigeria .. .. .	Mineral Survey, 1910.
84	West Indies .. .. .	Preservation of Ancient Monuments, &c.
85	Southern Nigeria .. .. .	Mineral Survey, 1911.
86	Southern Nigeria .. .. .	Mineral Survey, 1912.
87	Ceylon .. .. .	Mineral Survey.
88	Imperial Institute .. .. .	Oilseeds, Oils, &c.
89	Southern Nigeria .. .. .	Mineral Survey, 1913.
90	St. Vincent .. .. .	Roads and Land Settlement.

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